

# A 21ST CENTURY SCHOOL SYSTEM IN THE MILE-HIGH CITY

BY DAVID OSBORNE



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# A 21ST CENTURY SCHOOL SYSTEM IN THE MILE-HIGH CITY

Some of the most dramatic gains in urban education have come from school districts using what many call a “portfolio strategy.” Others call it “reinvention,” a “21st century approach,” or “relinquishment.” By whatever name, it generally means that districts negotiate performance agreements with some mix of traditional, charter, and hybrid public schools, allow them great autonomy, let them handcraft their schools to fit the needs of their students, give parents their choice of schools, replicate successful schools, and replace failing schools.

Many doubt such a strategy is possible with an elected board, because closing schools and laying off teachers triggers such fierce resistance. Most cities pursuing the portfolio strategy—such as New Orleans, Washington, D.C., and Camden, N.J.—have done so with insulation from local electoral politics. In New Orleans, the state board of education and its Recovery School District (RSD) oversee most of the schools; in D.C., Congress intervened, creating an appointed Public Charter School Board; and, in Camden, the state took over the district.

All of which explains why reformers are paying close attention to Denver, Colorado. With an elected board, Denver Public Schools (DPS) has embraced charter schools and created “innovation schools,” which it treats somewhat like charters. Since 2005 it has closed or replaced 48 schools and opened more than 70, the majority of them charters.<sup>1</sup> In 2010 DPS signed a Collaboration Compact with charter leaders committing to equitable funding and a common enrollment system for charters and traditional schools, plus replication of the most effective schools—whether charter or traditional.

Of DPS’s 223 schools today, 55 are charters, which educate 18.3 percent of its students; 38 are innovation schools, which educate 19.3 percent.<sup>2</sup> Last year the Board of Education voted for a major expansion of successful charter schools. In April 2016 it approved an Innovation Zone with an independent, nonprofit board and a three-year performance contract with the district. Beginning with four innovation schools but able to expand, the zone should, for the first time, give district schools the autonomy charters enjoy.

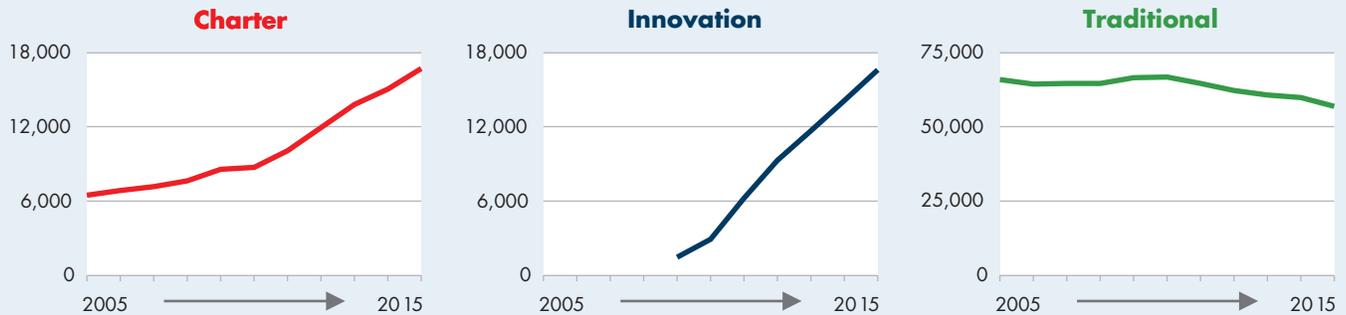
For years, Denver’s reforms stirred controversy. When the board closed or replaced failing schools, protests erupted and board meetings dragged into the wee hours. During most of Superintendent Tom Boasberg’s first five years, he had only a 4-3 majority on the board. But the strategy has produced steady results: A decade ago, Denver had the lowest rates of academic growth among Colorado’s medium and large districts; for the most recent three years for which growth scores are available, it has ranked at the top.<sup>3</sup> Voters have responded by electing a 7-0 majority for reform.

Denver’s progress—driven in part by the success of its charter schools—has been among the most impressive in the nation. By accomplishing this with an elected school board, Denver has shown other districts with elected boards a politically viable path forward.

One factor that helped the reformers was growth: DPS claims to be the fastest growing urban district in the country. It is easier to open and close schools when your student population is rising, and, since 2007, enrollment has increased 25 percent—driven by population growth, residential development on a closed airport and military base, expanded preschool programs, and students returning from neighboring

**Figure 1: Denver Gradually Increases Charter & Innovation School Enrollment**

Number of Students by School Type



Source: Colorado Department of Education

districts.<sup>4</sup> Today DPS reports 91,429 students, ranging from age 3 to grade 12.

On the other hand, Denver's demographics present challenges. As Figure 2 shows, just over 56 percent of its students are Hispanic; 22.6 percent are white; and 13.8 percent are African American.<sup>5</sup> About seven in ten are poor, qualifying for a free or reduced-price lunch, and 32 percent are English language learners.<sup>6</sup>

Shortages of money have also created hurdles. Colorado, which cut education spending deeply following the Great Recession, ranks 42nd in the nation in spending per pupil.<sup>7</sup> DPS revenue per student is still below the level of 2009-10.<sup>8</sup>

With such headwinds, Denver needs to continue its reforms to maintain and accelerate its academic progress. To summarize what will be argued later, DPS should:

1. Accelerate the replacement of failing schools.
2. Expand its charter sector—particularly by recruiting strong charter networks from other states—and ensure that there are adequate facilities for new charters.

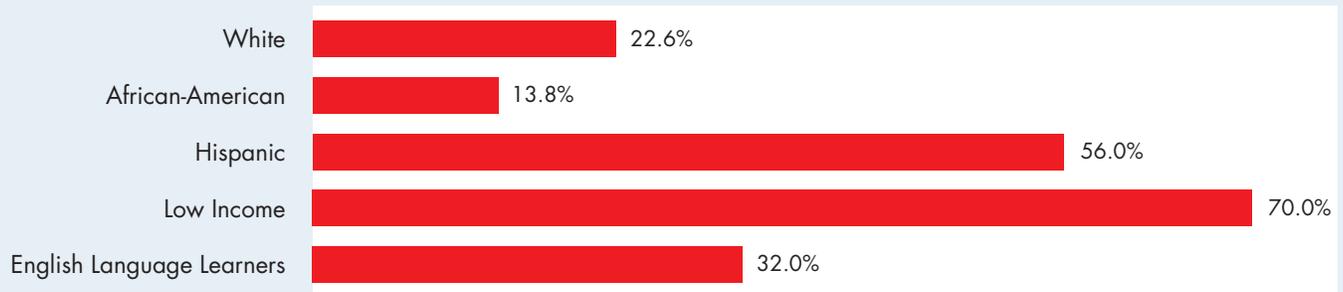
3. Make the Innovation Zone work, then expand it.
4. Expand equal opportunity by expanding public school choice.
5. Expand equal opportunity by budgeting for actual teacher salaries rather than average teacher salaries.
6. Create real autonomy for all schools.
7. Align DPS staff around the portfolio strategy—particularly around a specific vision of school autonomy.
8. Double down on the development and recruitment of strong school leaders.
9. And fix its School Performance Framework, which allows schools to appear successful even when their students are falling further behind grade level every year.

### THE DENVER STORY

In 2005, DPS was floundering. Out of 98,000 seats, 31,000 were empty, and many school buildings were half full. Almost 16,000 students chose private or suburban schools instead.<sup>9</sup> A financial crisis loomed,

**Figure 2: Denver Student Demographics**

Percent of Students, Selected Demographic Measures



Source: Denver Public Schools and A+ Colorado

in the form of pension contributions the district could not afford.<sup>10</sup> When Superintendent Jerry Wartgow retired, in 2005, the Board of Education chose Michael Bennet, chief of staff for then-Mayor John Hickenlooper, to replace him. Bennet had no background in public education, but he had spent time turning around failing companies and restructuring debt for a local investment firm.

A few reforms were already underway. The state legislature had passed inter-district public school choice in 1990 and a charter school law in 1993, though most DPS leaders had been indifferent or hostile to charters and had done a poor job of authorizing. Only 7 percent of public school students attended 17 charters—half of which performed below the district average.<sup>11</sup> Wortgow had negotiated a pathbreaking pay-for-performance system, called ProComp, with the Denver Classroom Teachers Association (DCTA). He was reconstituting 13 elementary and middle schools, and he had built support for DPS among business and community leaders. Several local foundations were pushing for reform, African-American and Latino leaders were engaged, and a 27-member Commission on Secondary School Reform—appointed by the school board—had recommended reform.

“There was a consensus that we had to do something,” says David Greenberg, who founded the city’s most successful charter network. “But there was no consensus about what.”

Michael Bennet knew he had to lure students back from other districts to stave off financial ruin. He considered the charter sector too small and ineffective to make a difference, and—reliant as he was on education professionals—his first instincts were to centralize. According to Greenberg, “He opposed expansion of charters within the district, on the grounds that charters ‘stole’ students from the district and thus were costing the district money.”<sup>12</sup>

Bruce Hoyt, who was then a board member, says Bennet and the board opted for a centralized strategy because the district was in such bad shape. “Given the weak capacity of school leadership, lack of good data systems to have accountability, and concerns over the large mobility rates of our students, the board adopted a ‘Managed Instruction’ theory of action,” he says. This meant central control over curriculum, budgets, hiring, and almost everything else. “Keep in mind that, when Bennet started, he couldn’t even track daily attendance at our schools, and our HR system was run on file cards.”



DENVER'S PROGRESS—DRIVEN IN PART BY THE SUCCESS OF ITS CHARTER SCHOOLS—HAS BEEN AMONG THE MOST IMPRESSIVE IN THE NATION.

“After Bennet had been there six months, I asked him, ‘What’s the most surprising thing to you?’” adds Alan Gottlieb, then the Piton Foundation’s education specialist. His reply: “‘How deeply, deeply f---ed up this place is.’”

DPS was so dysfunctional, Bennet concluded, that he could not fix it from the inside without significant outside pressure. So he asked several foundation executives to create an organization of civic leaders—co-chaired by former mayors Federico Peña and Wellington Webb, along with a business leader and a parent activist—to push for change and support the board when it promoted reform. They called it A+ Denver, and it has played a central role in advocating the portfolio strategy, along with the Piton, Donnell-Kay, and Gates Family Foundations.

In April 2007, a study by the Piton Foundation and the Rocky Mountain News revealed that almost a quarter of Denver students had left DPS for private schools, surrounding districts, or charter schools—costing

DPS \$125 million a year. Those left behind were disproportionately poor and non-white. Bennet and the board responded with a call for dramatic change. “It is hard to admit,” they wrote, “but it is abundantly clear that we will fail the vast majority of children in Denver if we try to run our schools the same old way.” The district should “no longer function as a one-size-fits-all, centralized, Industrial Age enterprise making choices that schools, principals, teachers, and, most, most important, parents are in a much better position to make for themselves.” Instead, it should “function more like a partner, building capacity and leadership at the school level and serving as an incubator for innovation.”<sup>13</sup>

Bennet hoped to save money by closing 30 schools. For political cover, he asked A+ Denver to study the oversupply of school buildings. The Piton Foundation hired the Center on Reinventing Public Education (CRPE) to help. Their research revealed that superintendents did not survive big school closures unless the kids got to move to better schools.<sup>14</sup> So

Bennet pared the plan down to eight school closures, while creating five new schools in existing buildings. The board also resolved to develop new “innovative and high-performing schools, especially secondary schools, by conducting a Request for Proposal (RFP) process to solicit new schools for the 2009 school year and beyond.”<sup>15</sup>

Meanwhile, Bennet and the board shifted from traditional budgeting to a weighted, student-based budgeting system, under which about 56 percent of operating money follows the student to the school they choose.<sup>16</sup> Because losing students meant losing money, this increased the competitive pressure on schools.

In 2008, DPS also unveiled a School Performance Framework (SPF) that measured test scores, academic growth, student engagement, enrollment rates, and parental satisfaction. Using the Colorado Growth Model, it gave far more weight to academic growth than to current proficiency levels. Every school wound up with a score that summarized its performance, and charter schools quickly dominated the top-ten lists.<sup>17</sup> (For more on the SPF, see the sidebar on p. 6.)

That spring, the *Rocky Mountain News* splashed a full-page photo across its cover of the first graduating class from the Denver School of Science and Technology (DSST), the charter high school founded by David Greenberg. Every one of its graduates had gained admission to college—the first time that had happened in a school with many low-income students. Bill Kurtz, DSST’s CEO, believes that was a turning point. “When I came to Denver,” he says, “there was a mindset that not all kids can go to college; that your income and race would determine that.” But DSST’s accomplishments gave “the leadership of the district an understanding that what was thought impossible was possible.”

With charters proving that autonomy worked and the SPF in place to measure school performance, the board formally switched to a theory of action they called “Performance Empowerment.” This meant, as principals proved their schools could perform, DPS would move more and more decision making to the school level.

In 2008, Bennet and his staff also helped State Senate President Peter Groff—an African American from Denver—write and pass an Innovation Schools Act, which empowers schools (or groups of schools) to request waivers to district policies, state statutes, and union contracts. DPS aggressively recruited principals to apply for innovation school status, so they could get out from under the union contract and truly manage the school.

As their embrace of school autonomy evolved, Bennet and the board also decided to encourage DSST and other strong charters to replicate. With the union angry about both charters and innovation schools, however, they did not trumpet their new strategies. They kept their message simple: they would replace failing schools with better schools, regardless of their type.

An astute politician, Bennet also solicited the views and support of two community organizations. Metro Organizations for People, now called Together Colorado, was a multi-racial, multi-faith coalition of more than 60 congregations and clergy, schools, and youth committees, affiliated with the national PICO network. Padres Unidos was an organization of Latino activists dating to the 1970s. Both worked on a variety of issues but were instrumental in supporting Bennet’s reforms, including closure and replacement of failing schools, weighted student-based budgeting, innovation schools, and charters.

“They really inoculated the district from having the kind of blowback that other districts have had from low-income communities of color,” says Van Schoales, CEO of A+ Denver (which recently changed its name to A+ Colorado). “It made it harder for the traditional factions. They lost some of the potential opposition to a lot of these reforms.”

In early 2009, Governor Bill Ritter appointed Bennet to fill the U.S. Senate seat of Ken Salazar, the new Secretary of the Interior. Bennet urged board members to appoint his deputy and lifelong friend, Tom Boasberg, to ensure continuity, and they quickly agreed. Though Boasberg embraced the portfolio strategy, he also eschewed the words, preferring “an intentional strategy to say we are going to focus on

## MEASURING PERFORMANCE: DENVER'S SCHOOL PERFORMANCE FRAMEWORK

Since 2008, DPS has used a sophisticated School Performance Framework (SPF) to measure the quality of charter and traditional public schools. It has been an important part of district strategy, because it has helped leaders communicate about the quality of schools, make and justify decisions to close, replace, and replicate schools, and demonstrate improvement.

“As a board member, data allowed me to make bolder decisions,” says Bruce Hoyt. “To make a tough decision in front of a hostile public crowd is really hard to do unless you are looking at clear data that compels you to move forward. Very importantly, the use of data enabled us to go from forcing decisions on communities to having them come and demand change from us. I will never forget the pain at closing Manual High [in 2006], with threats of boycotts and boardrooms filled with people protesting us. Fast forward three years to when the West High parents—armed with data showing that West students were underperforming schools with similar demographics—demanded that we take action to change or close West High.”

DPS has slightly different SPF formulas for preschools, elementary schools, middle schools, high schools, and alternative schools. Most of them include reading, math, writing, and science scores. Over the years DPS has tweaked the formulas, and they are undergoing a major rewrite at the moment—in part, because the state began using a new standardized test in 2015. (There are no SPF ratings for the school year 2014-15, because there is no scientific way to compare 2015 PARCC scores to previous test scores.)

There are four important things to understand about the SPF. First, it is quite complicated, with dozens of indicators and the possibility of earning various numbers of points for each one, depending upon performance. It uses two years of data, but, rather than averaging them, it uses a different matrix to combine the data for each indicator. The public doesn't understand what goes into the SPF, and it is far too complicated to serve as a useful performance dashboard for school leaders. DPS would be wise to develop something more straightforward to help parents make their choices, as well as a dashboard for school leaders and personnel.

Second, all the points add up to a final score between zero and 100, and that number classifies the school into one of five performance categories—each of which is given a color. The public does understand these colors, though grades of A, B, C, D, and F would be clearer.

Third, the SPF gives equal weight to math, reading, and writing scores. But research and experience suggest that math scores are the easiest to improve, while reading and writing skills are more important in determining future success in the workforce.

Fourth, the SPF relies far more heavily on students' academic growth than on their current proficiency levels. It is unfair to punish a school for low proficiency rates if most of its students arrived several years behind grade level, so growth is a fairer measure. A school should be rewarded for helping students make significant academic progress—a year or more of progress in a year's time.

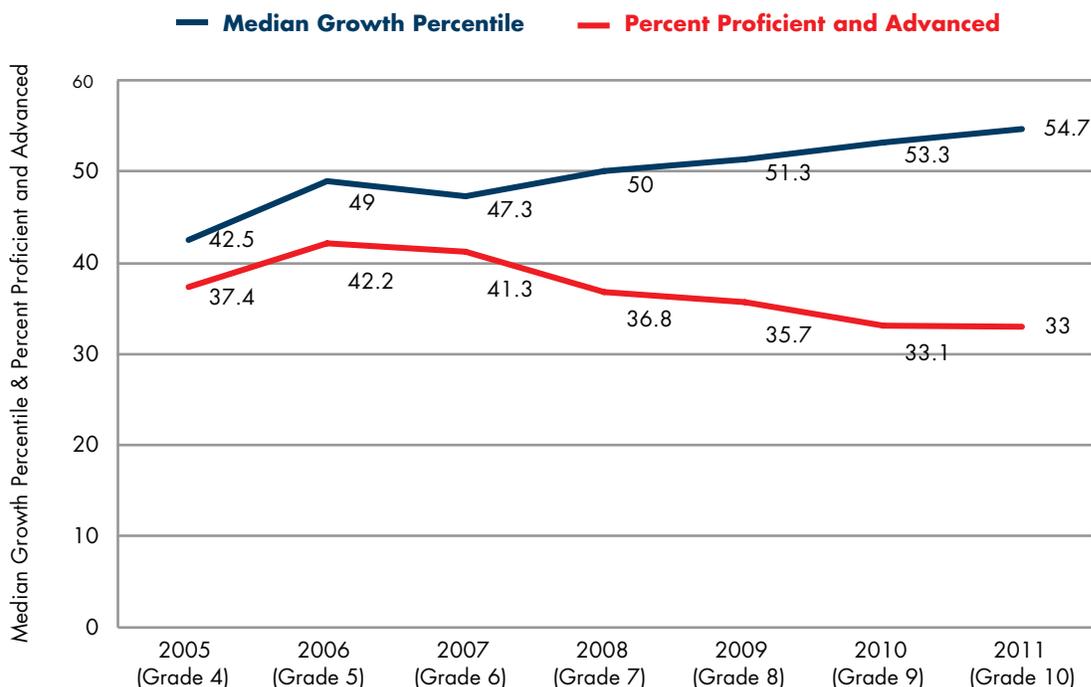
Unfortunately, Denver overdid it. To measure growth, the state uses a method called the Colorado Growth Model. This compares each student to their “academic peers”: other students in the state who had similar test scores in the past one, two, or three years, depending upon what grade the student is in. A student scores at the 50th percentile if his or her academic peers make four months progress in a year and the student does the same. If she makes six months progress, she scores well above the 50th percentile—even though she has fallen further behind her grade level.

Schools are given a Median Growth Percentile (MGP) by calculating the growth percentile for each of their tested students and picking the median—the student exactly in the middle of the distribution. All of this means that a school can have a high MGP while its students are falling ever further behind grade-level proficiency. Since growth has accounted for roughly two-thirds of a school's score in recent years, the problem is significant—as Figure 3 demonstrates. By contrast, Washington, D.C., also uses the Colorado Growth Model, but it weights growth and proficiency equally.

The other problem with the Colorado Growth Model is that it has a built-in tendency for schools to revert to

(CONTINUED)

**Figure 3: DPS Class of 2013: Improving Its Growth Scores While Falling Further Behind Grade Level**



Source: Alexander Ooms, "The Problem with Growth Scores," Chalkbeat Colorado, August 28, 2013.

the mean. If a school's students score well, they will be compared in the future to other high-scoring students. If they match those peers by scoring well again, the school's MGP will fall at the 50th percentile. Similarly, if a school's students perform poorly, they will be compared only to other low-scoring students, so it will be easier for them to score better next time. (Given this tendency, the fact that most DSST charters—whose students are roughly 80 percent minority and 35 to 80 percent low-income<sup>1</sup>—consistently score so high is truly remarkable.)

The SPF has consisted of a series of components, each given a different weight:

1. Academic growth, which by 2014 accounted for 65 to 70 percent of the score at all school levels.<sup>2</sup> Schools were awarded two points for approaching the standard (50th percentile), four points for meeting it (50th to 65th percentile), and six points for exceeding the 65th percentile. Indicators included:

- Median growth percentile (MGP)

- MGP compared to schools with similar demographics
- MGP for subgroups such as English language learners, students who qualified for a free or reduced-price lunch, minorities, and students with disabilities
- Catch-up growth: what percent of students moved up to a higher proficiency level
- Keep-up growth: what percent of students stayed at proficient or advanced levels
- Whether MGP for students continuously enrolled was greater than for those new to the school

2. Academic proficiency, which in 2014 accounted for 19 percent of an elementary or middle school's score and 28.5 percent of a high school's score. (The latter number includes the "college and career readiness" category cited below.) Indicators included:

- Percent scoring proficient in reading, math, writing, and science
- Percent proficient compared to schools with similar demographics

- Percent proficient among English language learners, those qualifying for a free or reduced-price lunch, minority groups, and students with disabilities
- Percent of students scoring advanced on standardized tests
- Percent scoring above proficient on the ACCESS assessment for English language learners

3. **Student engagement and satisfaction**, which in 2014 counted for only 2.3 percent of high school scores and 3.8 and 4.1 percent of elementary and middle schools, respectively. Indicators included:

- Attendance rates
- Results from student satisfaction surveys
- Availability of special education and enrichment offerings

4. **Enrollment rates**, which in 2014 counted for about 2 percent at all levels. Indicators included:

- Percent of students who re-enrolled from one year to the next, compared to schools that had similar demographics
- Percent of students enrolled the entire year, compared to similar schools
- Increases in enrollment
- Drop-out rates (in high schools only)

5. **Parent engagement and satisfaction**, which in 2014 counted for just over 5 percent in elementary and middle schools and 2.3 percent in high schools. Indicators included:

- Percent of parents with positive responses on survey
- Percent of parents who responded to the survey

6. **College and career readiness**, for high schools only (counted in the 28.5 percent for academic proficiency listed in number 2 above). Indicators included:

- Graduation rates
- Performance on ACT, Advanced Placement (AP), International Baccalaureate (IB), and other exams
- Enrollment in higher-level course work such as AP and IB classes

7. **Improvement in college and career readiness**, for high schools only (counted in the two-thirds weighting

for academic growth noted in number 1 above). Indicators included:

- Improvement in school graduation rates
- Improvements in performance on state and national assessments
- Changes in enrollment in AP and IB programs and college courses
- Changes in passing rates on AP and IB tests

Once all points were added up, schools with a score from 80 to 100 were considered “distinguished,” or blue. Those with 51 to 79 points were labeled “meets expectations,” or green. Those with 40 to 50 points were “accredited on watch,” or yellow. Those with 34 to 39 points were “accredited on priority watch,” or orange. And those with less than 34 points were “accredited on probation,” or red.

Schools that fell in the bottom three categories received support, such as training, consultations on curriculum, and help in using data to increase student achievement. The bottom two categories were also subject to interventions, from changes in academic programs or staff to school-wide turnaround efforts, including closure and replacement.

#### ADJUSTING THE SPF

In October 2014, more than a dozen organizations signed a letter to the Board of Education asking for changes in the SPF.<sup>3</sup> Their biggest concern was its over-reliance on growth. The board responded by agreeing to shift from a three-to-one ratio of growth to proficiency for elementary schools to a three-to-two ratio, and at middle schools to shift from three-to-one to two-to-one. High schools will remain at two-to-one.<sup>4</sup>

Even at these ratios, however, growth is weighted too heavily. Consider a school that has a strong MGP, which accounts for about 60 percent of its SPF score, but a weak proficiency score, which counts for only 30 percent. Overall, it will probably earn more than 50 points, even though its students are falling further behind grade level every year. To correct for this, the board has promised that, in the future, schools must perform well on both growth and proficiency to earn blue or green status.

A second concern expressed in the letter was that the green category—“meets expectations”—was too broad, encompassing scores from 51 to 79. A school just a bit

above average was considered green, which meant everyone assumed it was performing fine. Yet average was quite low in proficiency. As the group wrote, “Some green schools are on a strong path to proficiency while others are on a path to proficiency but will never

get there. Students need to be in schools that actually produce learning—as measured by proficiency metrics.”

The group also argued that standards—as defined by “cut scores”—were too low. High schools could earn a maximum number of points for proficiency if only 20 percent of their students were proficient in math, 40 percent in writing, and 50 percent in reading, for example. “In setting the bar too low for schools,” they wrote, “the current rating system gives parents the wrong message, indicating that schools are high quality when,

in fact, most students have little chance of meeting the state’s standards.” The board has agreed to raise the standards, but DPS staff are still analyzing how to do so. Even if they leave cut score levels the same, the increased rigor of the new PARCC test will result in higher standards.

Finally, the group asked that more weight be given in the SPF to narrowing achievement gaps between different income and racial groups, and the board agreed.<sup>5</sup>

The bottom line: DPS has some real work to do to create an SPF that truly reflects whether a school is getting its students on track for college or a career. It should simplify the SPF, weight growth and proficiency more equally, raise standards, and make the five performance bands more equal in their range.

#### Endnotes

1. Re. percentage of minorities: DPS website enrollment data and DSST CEO Bill Kurtz, quoted in Vincent Carroll, “Carroll: It’s Time to Give DSST Schools Their Due,” *Denver Post*, September 2, 2014. Re. percentage who qualify for free and reduced-price lunch: Colorado Department of Education data.
2. The weightings cited here are from the 2014 version of the SPF. They have changed substantially over the years, putting more and more weight on growth. The 2014 weights are from the DPS Office of Accountability, Research & Evaluation.
3. “Release: Local Education Groups Call On DPS School Board for Action on SPF,” *A+ Denver News*, October 21, 2014, [http://www.aplusdenver.org/\\_blog/A\\_Plus\\_Denver\\_News/post/release-local-education-groups-call-on-dps-school-board-for-action-on-spf/](http://www.aplusdenver.org/_blog/A_Plus_Denver_News/post/release-local-education-groups-call-on-dps-school-board-for-action-on-spf/).
4. Interview with Grant Guyer, DPS Executive Director of Accountability, Research & Evaluation, December 3, 2015.
5. “Update on Denver’s SPF Changes,” *A+ Denver News*, April 20, 2015, [http://www.aplusdenver.org/\\_blog/A\\_Plus\\_Denver\\_News/post/update-on-denvers-spf-changes/](http://www.aplusdenver.org/_blog/A_Plus_Denver_News/post/update-on-denvers-spf-changes/).

great schools as opposed to political arguments about governance structures.”<sup>18</sup>

Like Bennet, Boasberg had a background in both business and government, though he was less of a politician than Bennet. After graduating from Stanford Law School, he taught English at a public junior high school in Hong Kong, then served for three years as chief of staff to Lee Chu-Ming, Chairman of Hong Kong’s largest political party. There he helped draft Hong Kong’s election law and Bill of Rights as it prepared for its handover from Great Britain to China in 1997. He then served as a legal advisor to Reed Hundt, chairman of the Federal Communications Commission, as the Telecommunications Act of 1996 broke up the 100-year-old Bell Systems monopoly on land-line telecommunications.

This experience imbued him with a preference for choice and competition. “For me it really comes from a very profound belief that monopoly, whether in the public sector or the private sector, is generally not a good thing,” he told me. “Monopoly stifles innovation, and it generally leads to poor service for customers. It leads to a focus on your own internal stakeholders rather than a focus on whom you’re serving, because, by definition, you’re a monopoly—you don’t have to serve them well. Maybe there’s some areas—I’m not sure I want competing police forces out there, or competing armies—where government being the sole provider does make sense. But, in something as decentralized as hospitals or schools or health care, to be able to give choice to the people you’re serving, to be able to promote innovation, to recognize there is not just one way of doing things, I think is really important. What we want to do is bring the greatest amount of talent, energy, commitment, and innovation to education, and to exclude nonprofits like charters makes absolutely no sense.”

### WINNING THE POLITICAL BATTLE

In 2009, Boasberg’s first year as superintendent, the district opened eight new schools, while planning seven more for 2010. By that time, the Denver Classroom Teachers Association was aroused. It backed a slate that fall and won a majority of open seats, and one of its supporters prepared to take the

board presidency. But the union had been a bit careless in vetting Nate Easley, an African American who had grown up in Denver but had recently returned from Washington, D.C., to help lead the Denver Scholarship Foundation. Easley surprised everyone by embracing reform. Being the swing vote, he was elected board president, and suddenly the union’s 4-3 majority had reversed, triggering a bitter divide that lasted four years.

Tensions came to a head the next fall, when the board decided to replace a group of struggling schools in the far northeast area of the city, including Montbello High School, with 10 innovation schools and a handful of charters. “That was when the controversy really got enormous,” says Mary Seawell, a board member at the time. “The scale and scope was like nothing the district had ever done before, and there were so many schools impacted. It was a highly charged, emotional political process,” with people shouting and chanting at community and board meetings.

“That’s when it got front-page attention. We had marathon board sessions until one or two in the morning, for months and months.”

Anti-reform leaders warned Easley that, if he voted for the replacement strategy, they would recall him. He had been a straight-A student at Montbello High, but, at Colorado State College, he had tested into remedial classes—a devastating blow, as he describes it. So he understood exactly how Montbello was failing its students. He voted for the changes, and his opponents launched a recall effort—but failed to secure the required number of signatures.

Denver State Senator Michael Johnston, who succeeded Peter Groff in 2009, has long been part of Bennet and Boasberg’s inner circle. In 2010 he wrote and convinced the state legislature to pass a reform bill as part of its effort to compete for federal Race to the Top money. Called Senate Bill 191, it required districts to dismiss teachers rated ineffective for two years in a row, even if they had tenure, and to quit forcing principals to take on teachers laid off from other district schools. There would be no more layoffs by seniority, and, if teachers were laid off because of school closings or reconstitutions and they could not

find new jobs within 12 months or two hiring cycles, they would be put on unpaid leave. Districts would be required to conduct teacher evaluations beginning in 2015-16, with half the weight given to measures of student growth. Finally, the state would boost funding for professional development for teachers.

About 18 months after Denver implemented the bill, teachers who had lost jobs because their schools had been replaced—and who could not find another principal willing to hire them—began losing their paychecks. In 2014, five teachers, the DCTA, and the Colorado Education Association sued, charging that DPS had “improperly applied the law to unfairly and systematically remove veteran teachers and hire less-experienced, less-expensive teachers to replace them.”<sup>19</sup> They wanted to go back to the old system, under which principals would be forced to take on those teachers. Boasberg and the board opposed the suit, arguing that most “forced placements” ended up in schools full of low-income students—a reality Boasberg called “a civil rights travesty.”<sup>20</sup> The suit is still in the courts.

Meanwhile, Boasberg and the school board continued to aggressively approve replications of successful charter schools, while closing low performers. In 2010-11, they closed 25 percent of charters up for renewal; over the next three years, they closed almost 10 percent.<sup>21</sup>

In 2012 they rolled out a computerized enrollment system, called SchoolChoice, which included both charter and DPS-operated schools. This made it easier for parents who did not want to send their children to their neighborhood schools, while making it difficult for well-connected parents to game the system and for schools to handpick the best students. (For more on the SchoolChoice process, see the sidebar on p. 12.) To create more choice and racial integration, DPS also began creating “shared enrollment zones” with two to ten schools in each, in which parents were not assigned to a school but could pick between schools in the zone, with transportation provided.

The anti-reform block in Denver opposed most of what Boasberg and the board were doing: school closures, charters, innovation schools, removing unwanted teachers, and expanding school choice. But, beginning

with the mayoral election in the spring of 2011, reformers went on a winning streak. City Councilman Michael Hancock campaigned in support of education reform, as did the other candidate who made the runoff, Chris Romer, whose father had been governor in the 1990s. When Romer tacked against reform to pick up teachers’ votes during the runoff, the move backfired, and Hancock won going away.

Turnout surged in three Board of Education races that fall, indicating that voters understood something important was at stake. Reformers mobilized, raised money to support their candidates, and recruited a former city council president to run. They won two races and fell 142 votes short in the third, preserving their 4-3 majority.<sup>22</sup> The acrimony on the board continued: during Boasberg’s annual review in 2012, his three opponents released their own report, accusing him of disregarding board policy and recommending no performance-based compensation.

In 2013, Democrats for Education Reform and its allies raised significant money and recruited as candidates a former lieutenant governor, another former city council president, and a former chairman of Denver’s Democratic Party. All three won, and the logjam was finally broken. With six reformers, the new board initiated a turnaround strategy in Southwest Denver and approved another major expansion of DSST schools, which should educate a quarter of all middle and high schoolers by 2025.

In 2015, a reformer won the final seat. Today the opposition to reform is weak and the union is hardly a factor. When the board was considering a turnaround strategy for heavily Latino Southwest Denver, board member Rosemary Rodriguez reports, the community “was starting to say, ‘Should we replace all our problem schools with charters? Can we charter ourselves out of trouble?’” They encountered resistance from the teachers union and some political leaders, Rodriguez says, but “not from mothers and fathers.”

## DELIVERING RESULTS

The reformers won in part because they had more money and in part because their approach has yielded results. In 2005-06, 11.1 percent of DPS students

## DENVER'S SCHOOL CHOICE ENVIRONMENT

DPS offers both neighborhood schools and schools of choice. Before 2012, when Denver launched its SchoolChoice enrollment system, parents who wanted their children to attend a public school other than their neighborhood school had to research and apply to multiple schools. There were more than 60 enrollment systems within DPS-operated schools alone, not to mention the charter schools.<sup>1</sup> Parents who knew how to navigate the system—or who knew the right people—fared better than those who didn't.

Community organizations like Metro Organizations for People pushed for a common enrollment system, framing it as an equity issue. They argued that low-income parents found the process confusing and intimidating—and were therefore less likely to apply for charter or magnet schools. In contrast, more educated and connected parents were often able to game the system. Anti-charter forces argued that charters “creamed” the best students, but, in reality, charters had to use lotteries if they were oversubscribed, while a 2010 study revealed that DPS schools were actually creaming.<sup>2</sup>

The research suggested that many parents got their children into their preferred DPS-operated schools by going directly to the principals, circumventing the formal choice process. Not surprisingly, white, middle-class parents used such methods more frequently than others. Worse, principals could handpick early childhood education students, who were then guaranteed a spot in their elementary school. Some 60 percent of students accepted into elementary schools from outside their neighborhood boundaries were handpicked in one of these two ways. They were far more likely to be white and less likely to be poor than a random selection would suggest.

The new SchoolChoice system, which includes all charters and most DPS-operated schools (with the exception of alternative schools), makes such favoritism far more difficult, leveling the playing field and simplifying the process. Parents fill out only one form, ranking their top five choices. Parents whose children are transitioning to elementary school, middle school, or high school are expected to fill out the form. To help them, DPS sends them a booklet reviewing the performance of each school.

A computer algorithm then ranks applications according to seven factors: those in the neighborhood zone and those with siblings in the school get priority, for instance. A few schools (including all DSST charters) also reserve 40 percent of their seats for low-income students, who therefore get a preference.

Surveys conducted by the Center for Reinventing Public Education (CRPE) show that DPS parents find the SchoolChoice system easier to use and less confusing than the old one. It has clearly increased equity, leading to a jump in the percentage of low-income students and English language learners attending charter schools.<sup>3</sup> And it has minimized parents' ability to game the system. As one local parent wrote in a blog after it went into effect, “This is the dumbest system ever! I used to be able to bake brownies for the principal and get into the school, and now I can't do that!”<sup>4</sup>

During the system's first three years, 95 percent of those participating were placed at one of their five preferred schools,<sup>5</sup> and roughly three-quarters received their top choice.<sup>6</sup> Generally, demand followed quality. As the CRPE study put it, “The most requested schools in the city are often the highest rated. Indeed, the demand for quality has grown over time, particularly when comparing 2014 to 2012.”<sup>7</sup> Fortunately, the supply of seats in quality schools has also grown, though not fast enough to fulfill the demand.<sup>8</sup>

Polls show strong support for public school choice, and participation in the enrollment system has steadily increased.<sup>9</sup> In the first three years, between 55 and 80 percent of those in transition years participated. (Those who don't participate are assigned to their neighborhood schools.) White students had the highest rates in 2014 (84.7 percent), followed by Hispanics (71.1 percent) and blacks (63.3 percent). Low-income students had slightly lower rates (63 to 67 percent, depending on the year) than others (69 to 70 percent).<sup>10</sup>

As these numbers show, the new system has not fully equalized access. Like most cities, Denver's residential neighborhoods are segregated by race and income. To foster integration and encourage more parents to choose schools, DPS has established 11 multi-school “shared enrollment zones,” which encompass a wider diversity

of races and incomes than single-school neighborhood boundaries. Families in these zones are guaranteed placement at a school in the zone but aren't assigned; they can list up to five choices. Unfortunately, these zones cover less than a third of the city so far, and more affluent areas have resisted them, because parents who bought homes so their children could attend a high-performing school don't want to lose that privilege.<sup>11</sup>

DPS creates bus systems families can use within the zones. Outside these zones, at magnet and neighborhood schools, students are bused only

if they live more than 2.5 miles from the school. Charters outside the zones are responsible for their own transportation, so many charter parents drive their children across town for school. These limits on transportation have cut down the choices available to poor families.

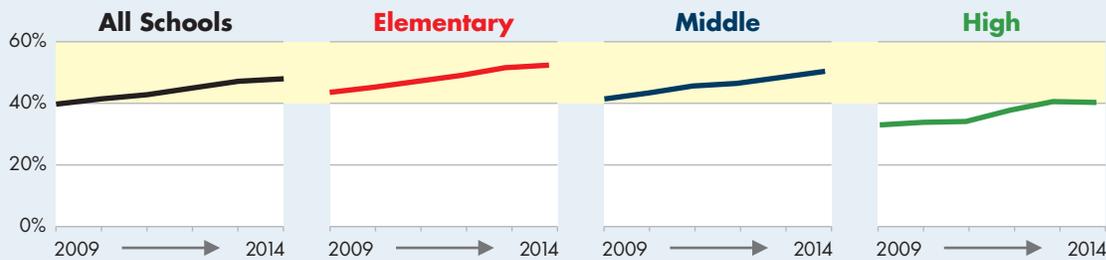
Denver faces three challenges in expanding equal access to schools: investing in more equitable transportation, expanding shared enrollment zones, and continuing to increase the supply of quality schools in poor neighborhoods. (For more, see pp. 25-26.)

#### Endnotes

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8. *Ibid.*
9. Tom Boasberg, "More Families Exercising Choice; More Entrusting DPS for Students' Education," DPS blog, March 13, 2015, [https://www.facebook.com/permalink.php?id=441445425004&story\\_fbid=10155249111290005](https://www.facebook.com/permalink.php?id=441445425004&story_fbid=10155249111290005); and Peter Huidekoper, Jr., "Another View on School Choice in Denver," A+ Denver's Another View, No. 134, August 13, 2015, [http://www.aplusdenver.org/\\_blog/A\\_Plus\\_Denver\\_News/post/another-view-on-school-choice-in-denver/](http://www.aplusdenver.org/_blog/A_Plus_Denver_News/post/another-view-on-school-choice-in-denver/).
10. Gross and Denice, "Are Denver's Public Schools Meeting All Students' Demand for Schools," op. cit.
11. Adam Hawf and Neerav Kingsland, "Achieving Equity in Denver Public Schools," PowerPoint presentation prepared for Denver Public Schools, June 10, 2015, slide 50.

**Figure 4: Denver’s Steady Academic Progress**

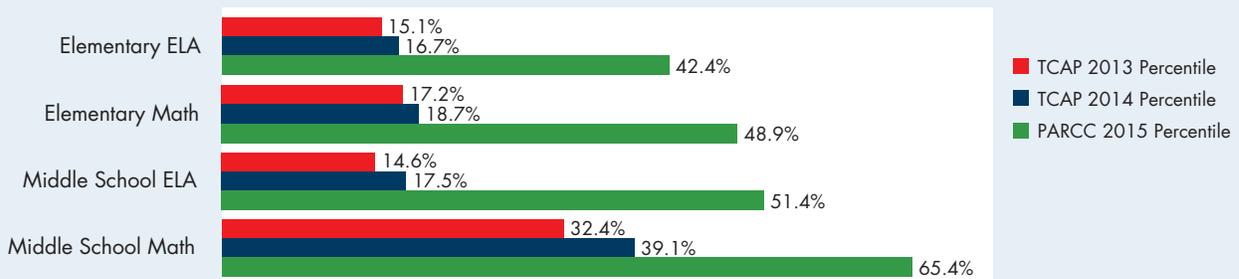
Percentage of DPS Students Scoring Proficient or Advanced, 2009-2014 (Excluding Alternative Schools)



Source: Colorado Department of Education

**Figure 5: Denver’s Leap Forward On PARCC Tests, 2015**

Percentile Ranking of Denver Schools vs. All Colorado Schools on Standardized Tests, 2013-2015



Source: A+ Colorado, using Colorado Department of Education data. 2014 TCAP tests separated reading and writing; scores on those tests have been combined here. In addition, middle school math results include only standard sixth, seventh, and eighth grade math tests. Seventh and eighth graders can instead, by choice, take Geometry, Algebra, or Integrated Math tests. Because public data does not include grade-level information for these latter tests, they are excluded from the PARCC percentile analysis here.

dropped out each year, and in 2006-07 less than 39 percent graduated in four years. By 2014-15, only 4.5 percent dropped out each year, 65 percent graduated on time, and 72 percent of those who entered DPS high schools and stayed for four years graduated on time.<sup>23</sup> (All data include charter schools.) The four-year graduation rate for Latinos has nearly doubled since 2007.<sup>24</sup> In addition:

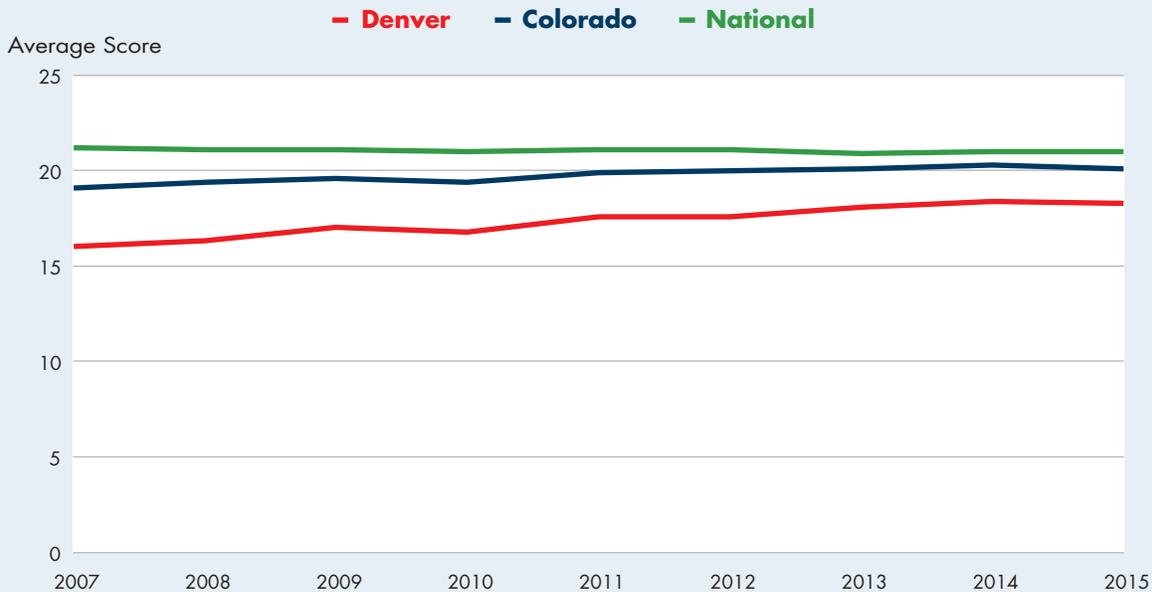
- Through 2014, the percentage of students scoring at or above grade level in reading, writing, and math had increased 15 percentage points (from 33 to 48 percent) over 10 years—far faster than the state average.<sup>25</sup> (See Figure 4. It includes all DPS and charter schools except alternative schools, which serve average students, former dropouts, and

the like. In 2015 Colorado switched to the PARCC tests, so comparisons to previous years are no longer possible.)

- Denver schools appear to have adjusted far better to the more demanding, Common-Core-aligned PARCC tests than schools in the rest of the state, as Figure 5 shows. Ranked by the percentage of students at proficiency or above, Denver schools outperformed only 16.7 percent of Colorado schools on the elementary English language arts test in 2014, but they outperformed 42.4 percent in 2014. In elementary math, Denver jumped from the 19th percentile to the 49th—almost reaching the state median. Middle schools were even stronger: in English, they jumped from outperforming 17.5 to

**Figure 6: Denver Outpaces State, Nation on ACT Score Growth**

Average Composite ACT Score, 2007-2015



*Source: Denver and Colorado: Colorado Department of Education. National data: ACT.org. Note: the ACT is not mandatory in most states, and national data includes all ACT scores, including those earned during senior year; Denver and Colorado data includes only the mandatory ACT exam taken by all students in the spring of 11th grade. Hence Colorado's scores would be expected to fall below the national average.*

51.4 percent, and in math from the 39th to the 65th percentile—far above the state median.<sup>26</sup>

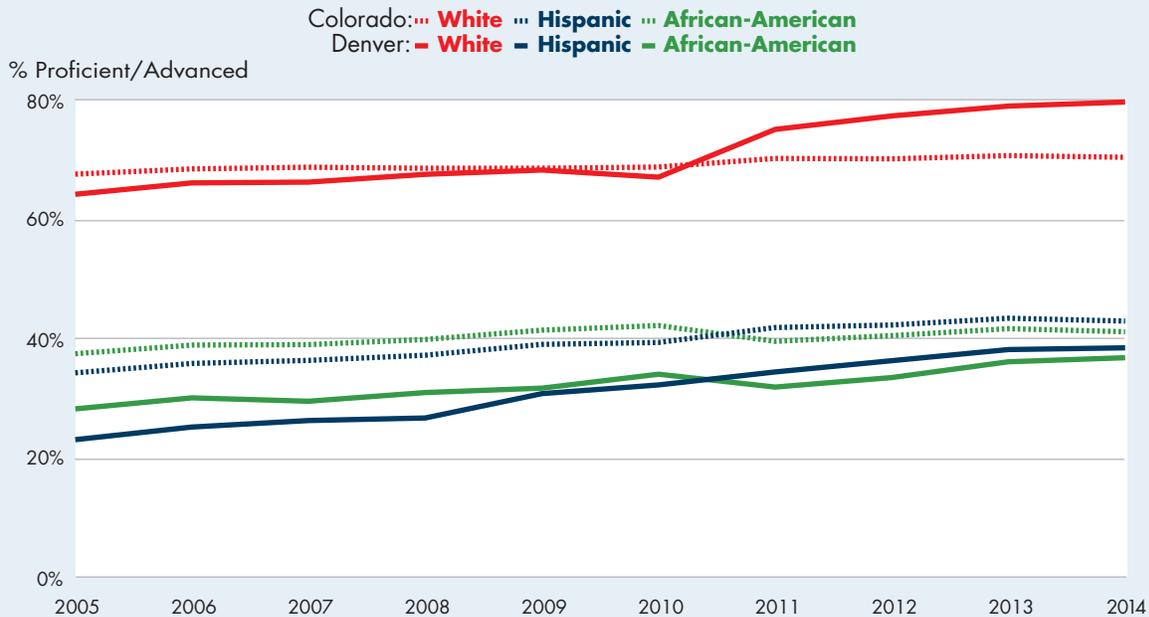
- DPS has more than doubled the number of students taking and passing Advanced Placement courses,<sup>27</sup> and the passage rate is up to 43 percent.<sup>28</sup>
- African-American students now take advanced math classes at the same rate as whites, and Hispanics lag only one percentage point behind.<sup>29</sup>
- While statewide ACT scores have increased only one point since 2007, Denver's have risen from 16 to 18.3. (See Figure 6. In Colorado, unlike many states, all high school juniors take the ACT. In 2015 the state average was 20.1.)<sup>30</sup>
- Though only about 48 percent of DPS graduates enrolled in college in recent years,<sup>31</sup> one in seven

low-income students in Denver did so, compared to one in 20 in the rest of the state.<sup>32</sup> And the percentage of enrollees from DPS who are required to take remedial classes in college is dropping rapidly—from 64 percent in 2010 to 49 percent in 2013.<sup>33</sup>

Denver's one big failure has been to narrow the achievement gap. The gap has widened—something that happens in many urban districts that improve, because white and middle-class students raise their scores faster than minority and low-income students, as shown in Figure 7. In 2014, the gap between the percentage of low-income and non-low-income students who tested at grade level was almost 40 points across all subjects, and the gap between African Americans and Latinos, on the one hand, and whites, on the other, was 42 points.<sup>34</sup> Even growth scores have increased faster for middle-class than for low-income students.<sup>35</sup>

**Figure 7: Denver Outpaces State on Test Score Improvement For All Races**

Percent Scoring Proficient or Advanced, 2005-2014



Source: Colorado Department of Education

### CHARTER SCHOOLS LEAD THE WAY

Because Denver's two largest, most successful charter networks—DSST and Strive Prep—started with high schools and middle schools, respectively, the city's charters are unusually concentrated at the secondary level. DPS has clearly improved its elementary schools, but at the secondary level charters account for most of the academic growth.

In a 2014 study published by the Donnell-Kay Foundation, which used SPF data through 2013, author Alexander Ooms concluded: "While the strategy of starting new schools is paying dividends for DPS, the success in creating quality schools—as well as serving low-income students within those schools—resides overwhelmingly with charters."

"The decision to close poorly-performing schools of all types appears to be paying dividends and is especially encouraging for low-income students. Likewise the

decision to encourage replication of the best charter schools has clearly led to positive results. But the district's attempts to open its own new schools, and particularly to improve its continuing schools serving secondary grades, have yielded remarkably little."<sup>36</sup>

A year later, my analysis of 2014 SPF scores revealed little change. Six of the top eight schools were charters,<sup>37</sup> and, in academic growth, all of the top 12 secondary schools were charters.<sup>38</sup> (Due to the switch to PARCC exams, there are no SPF or growth scores for 2015.) Though charters made up only 37 percent of Denver's public secondary schools (excluding alternative schools), they accounted for 60 percent of the 20 most sought-after secondary schools.<sup>39</sup>

A study of test scores from 2010 through 2014, by economists at the Massachusetts Institute of Technology and Duke University, found that Denver's charters produced "remarkably large gains in math,"

large gains in writing, and smaller but statistically significant gains in reading, compared to DPS-operated schools.<sup>40</sup> The gains in math were the equivalent of closing almost half the yawning gap between white and black students in the U.S.<sup>41</sup>

Do charters perform better because they attract better students? They do have advantages: 100 percent of their families make an active choice to enroll; their students arrive with slightly higher test scores;<sup>42</sup> they backfill empty seats at a slightly lower rate (80 percent compared to 93 percent);<sup>43</sup> and most of them don't get kids whose parents are so disengaged that they don't bother filling out a SchoolChoice form.

On the other hand, charters get 19 percent less money per student than district-operated schools, according to one analysis.<sup>44</sup> Though the district strives for equity, charter teachers are not eligible for ProComp bonuses, which average \$7,396 for a second-year teacher.<sup>45</sup> Charters also get less district-funded transportation for students.

Charters' success does not appear to stem from an easier mix of students, because the SchoolChoice enrollment process gave low-income and minority parents an equal shot at high-quality charters. In 2014-2015, charters enrolled almost as high a percentage of special education students as DPS-operated schools do—10 percent vs. 11 percent. But charters served 3 percentage points more low-income students (those who qualify for free and reduced-price lunches) and 10 percentage points more English language learners.<sup>46</sup>

Perhaps the fairest way to compare charters and DPS-operated schools is to analyze school test scores and percentages of low-income students together, on the same scatter plot. The graphs on pages 18-20 illustrate the results, using data from the Colorado Department of Education. In high schools, students are required to take the ACT exam in the spring of their junior years. Figure 8 shows the results of that exam in 2015: charters performed better than innovation schools or traditional schools. (Alternative schools, which serve former dropouts, overage students, and the like, are excluded from Figures 8-12. Though they include charters, traditional schools, and innovation schools, their results might distort the comparison a bit.)

Figures 9 and 10 show similar results for middle school students on the 2015 PARCC exams, using each school's percentile—its ranking against other Colorado schools, in terms of the percentage of students who scored proficient or above. Figures 11 and 12 show that DPS's elementary schools are stronger. There are only 16 charters, their performance is widely scattered, and, when combining math and English language arts, they perform about the same as district-run schools.

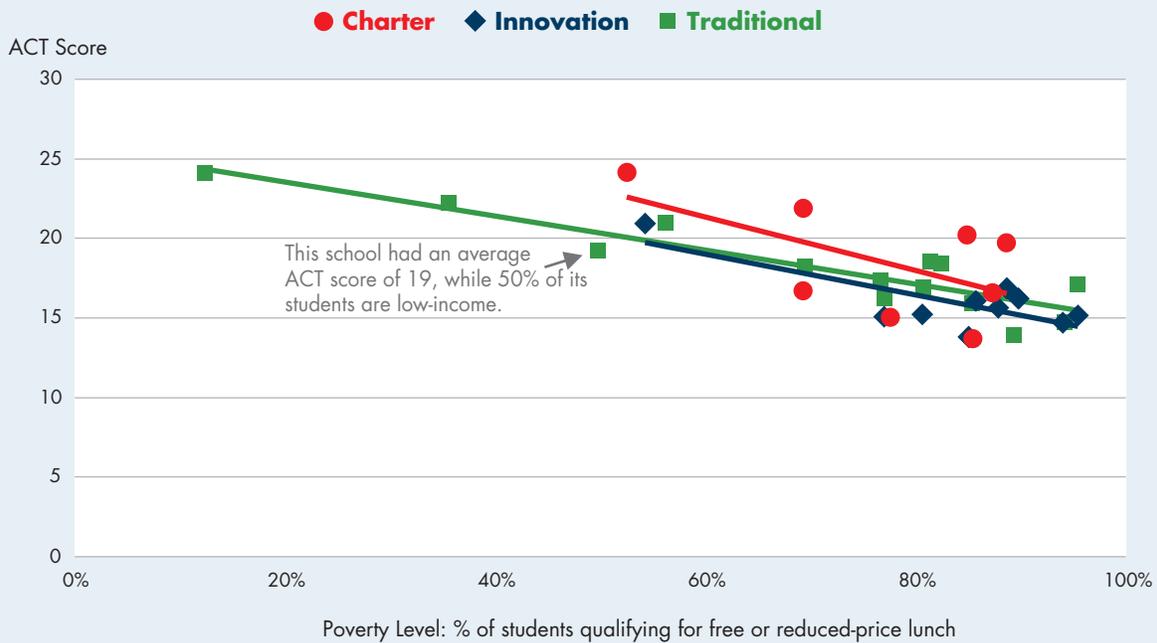
In response to charters' success, DPS leaders have expanded the most effective charter networks, while giving most charters leases in DPS buildings. By 2013, 78 percent of charters were in DPS facilities, often in buildings shared with DPS-operated schools.<sup>47</sup> As part of the district-charter compact, DPS created a Collaborative Council—with five charter leaders, four members of the superintendent's cabinet, and one board member—to hash out issues (such as how DPS buildings are awarded) and propose policy changes. The district has also hired dozens of people from the charter sector.<sup>48</sup>

Meanwhile, Boasberg and his staff have worked hard to spread successful charter practices to schools they operate. They have brought in charter leaders from successful networks such as Uncommon Schools and KIPP to lead professional development for DPS principals and teachers. Their leadership development program often embeds aspiring DPS principals in high-performing charter schools for a year—and allows them to visit other high-performing schools around the country—to learn how it's done.

Charter practices DPS has adopted for its own schools include:

- home visits by teachers;
- “advisories,” in which one teacher stays with 15 or so students for a few years and is expected to get to know them well;
- systematic use of math tutors at many schools;
- ninth grade “academies,” in which students begin high school with a week devoted to shaping student expectations and culture;
- dress codes;
- character education, in which schools seek to instill not only knowledge and skill but “personal success

**Figure 8: Charter Schools Outperform DPS-Operated High Schools At Similar Poverty Levels**  
 Comparing Average 2015 ACT Scores vs. Poverty Levels at Each High School



Source: Colorado Department of Education

- factors” such as self-control and perseverance;
- teacher leaders, who spend half their time teaching and half their time leading and coaching other teachers in their subject area;
- shared leadership, in which principals focus on academic growth and another leader handles school operations; and
- a planning year for principals who start new schools.

**INNOVATION SCHOOLS STRUGGLE FOR AUTONOMY**

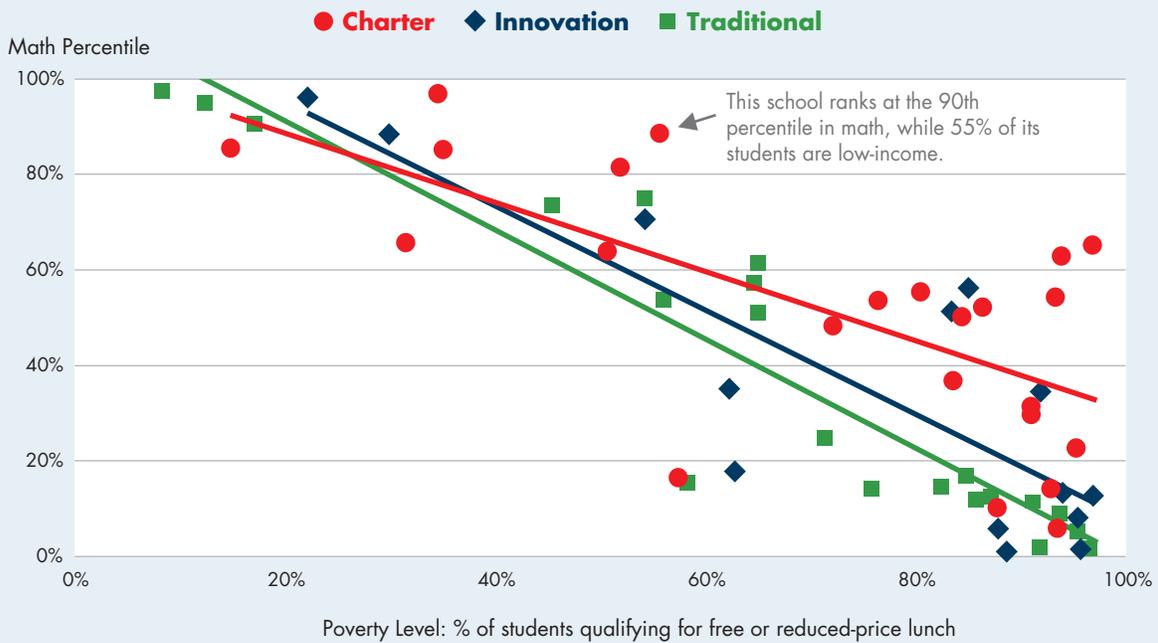
Perhaps the most important DPS import from the charter world was the innovation school. Its roots go back to 2005, when Michael Bennet recruited Brad Jupp, a union official who had led the negotiations for performance pay, to be his senior policy advisor. A former teacher, Jupp was convinced that DPS principals needed more autonomy to improve their

schools and compete with charters. In the fall of 2006, he and Bennet launched an experiment to create something like Boston’s Pilot Schools (which were themselves a response to charters)—in-district “Beacon Schools.” They negotiated a memo of understanding with the teachers union, then asked teachers and principals to make proposals. “[We offered] greater resources, the opportunity to have a new school design, and a bit of autonomy,” Jupp says. Their offer generated 24 proposals.

But Beacon Schools quickly bumped into the limits imposed by district rules and the teachers’ contract. Frustrated leaders at the Bruce Randolph Middle and High School—including Principal Kristin Waters, the union leader at the school, and Jupp’s wife, a teacher—proposed a novel use of a waiver clause in the contract, to waive everything but the provisions that permitted union membership

**Figure 9: Charter Schools Outperform DPS-Operated Middle Schools in Math**

Statewide School Percentile Rankings on 2015 PARCC Math Tests vs. Poverty Levels at Each Middle School

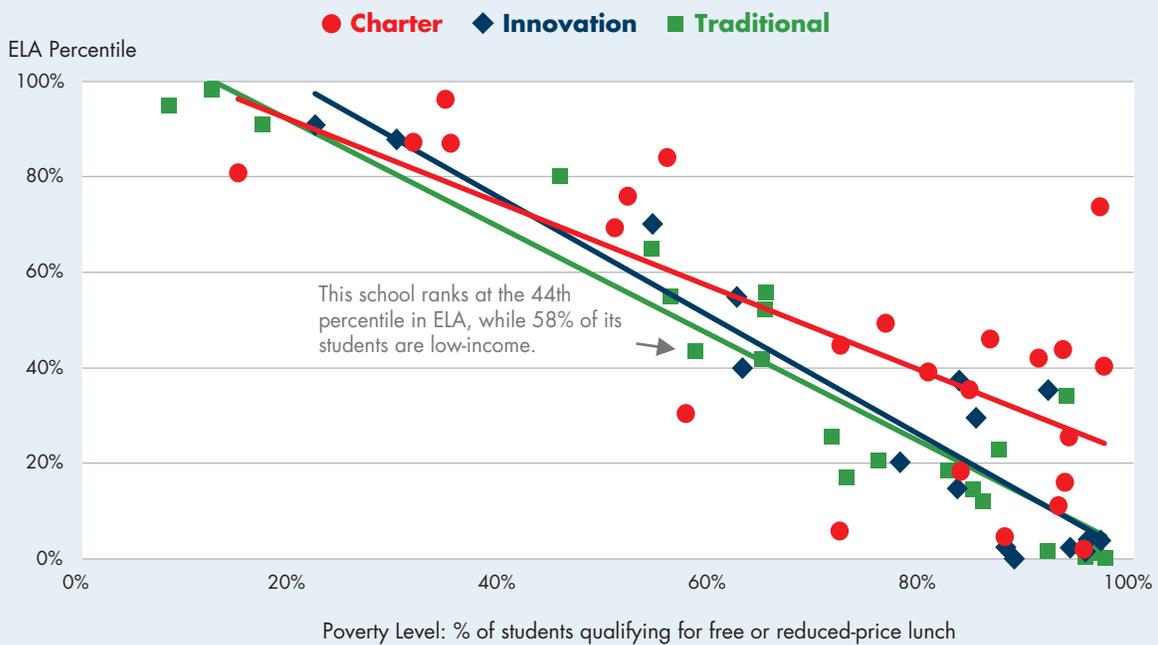


Source: Source: Colorado Department of Education

Note: Middle school math results include only standard sixth, seventh, and eighth grade math tests. Seventh and eighth graders can instead, by choice, take Geometry, Algebra, or Integrated Math tests. Because public data does not include grade-level information for these latter tests, they are excluded from the PARCC percentile analysis here.

**Figure 10: Charter Schools Outperform DPS-Operated Middle Schools in ELA**

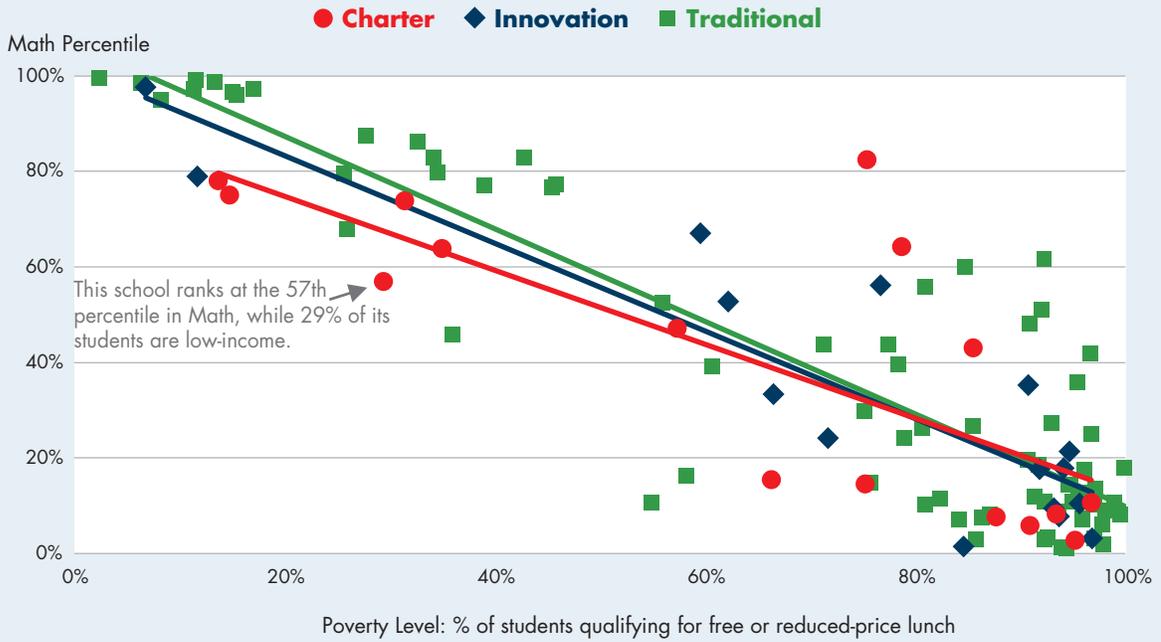
Statewide School Percentile Rankings on 2015 PARCC ELA Tests vs. Poverty Levels at Each Middle School



Source: Colorado Department of Education

**Figure 11: Charter Schools Underperform DPS-Operated Elementary Schools in Math**

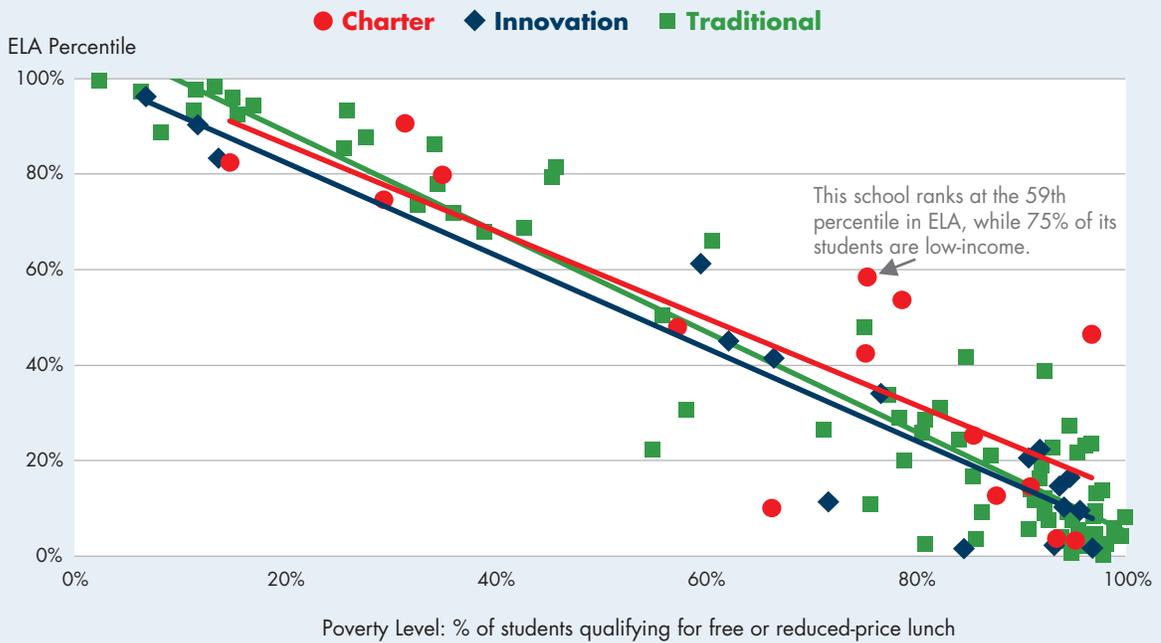
Statewide School Percentile Rankings on 2015 PARCC Math Tests vs. Poverty Levels at Each Elementary School



Source: Colorado Department of Education

**Figure 12: Charter Schools Outperform DPS-Operated Elementary Schools in ELA**

Statewide School Percentile Rankings on 2015 PARCC ELA Tests vs. Poverty Levels at Each Elementary School



Source: Colorado Department of Education

and representation. The union objected, but the board approved the waiver anyway—plus two more, for other schools.

Bennet and his staff then helped State Senate President Peter Groff draft the Innovation Schools Act, which allows waivers to district policies, state statutes, union contracts, and tenure for new teachers if 60 percent of the teachers vote for the innovation plan. “I think it was a recognition that so many of the rules that govern our schools, whether in statute or collective bargaining agreement, are really products of an Industrial Age economy,” Boasberg says. They were not designed for “a knowledge-based economy, where you have an extraordinary stress on creativity and problem solving. So the Innovation Schools Act, which we helped draft, was a response to allow district-run schools significantly greater flexibility from a set of work rules that frankly didn’t make sense.”

Unfortunately, the district began creating innovation schools without much attention to their design. District staff wrote applications, sometimes before they found a principal. “It really wasn’t about a school vision or improvement process, how the schools were going to use the autonomy,” says Mary Seawell, a board member at the time, now the education specialist at the Gates Family Foundation. Not surprisingly, the initial results were disappointing.

But, beginning in 2010, DPS began treating the innovation school authorization process much like the charter authorization process, and new innovation schools have looked far more like charters—with a year to plan, clear visions and strategies, and careful hiring of teachers.

Some innovation schools have made remarkable progress. Some feel indistinguishable from successful charters, and many of their principals have learned a great deal from charters. But, as a group, they have not performed nearly as well as charter schools on standardized tests, according to two separate studies and Figures 8-12 above.<sup>49</sup> Kelly Kovacic, DPS’s executive director of portfolio management, acknowledges that innovation schools have not bent the curve on performance.

The bad start appears to explain part of the failure, though there is not enough data to prove that. In addition, there are three important differences between innovation schools and charters that probably contribute to their different success rates—differences that also explain why charters outperform DPS-operated schools in general.

First, charters have explicit performance contracts and are usually closed if they fail to meet their targets. Innovation schools have plans that must be approved every three years, but, so far, no failing innovation school has been closed. Politically, it is easier for a board to close a charter school than a school that DPS operates. The board adopted a policy last December, however, to apply exactly the same standards and process to closing all schools—charter, traditional, and innovation. If it follows through, innovation schools may become just as accountable for performance as charters are.

Second, charters are often run by entrepreneurial leaders, who replicate them when they succeed. Innovation schools are usually run by principals from within DPS, who may be less entrepreneurial, and they have yet to replicate. But again, that is about to change: Two successful innovation schools will open new campuses next fall. Unless they fall flat, Boasberg told me, he intends to continue the practice.

Third, while innovation schools have more autonomy from district mandates than traditional DPS schools, they have far less than charters. Some of the innovation school principals I interviewed were happy with the degree of autonomy they enjoyed, but others were frustrated. In part, this depended on who they dealt with at the district: their instructional superintendent, their HR partner, their budget partner, and so on. DPS leaders freely admit that employees’ views on autonomy vary. Some share Boasberg’s vision—which calls for significant autonomy for innovation schools and increasing autonomy for all schools—but others don’t.

“It’s infuriating to innovation school principals, because they feel like they have the blessing of the top leadership, but it’s like cutting through frozen molasses,” says Alan Gottlieb, who has been following

education in Denver for more than 20 years as a journalist, a foundation executive, and the founder of an online education magazine. “Any little thing—hiring somebody, getting a school bus, ordering new furniture—it’s all impossible. And it is because everybody below the top level is operating as though they’re still just working for a traditional school district.”

The issue is not so much outright restrictions as the constant bureaucratic battles principals must endure. Zach Rahn, who runs Ashley Elementary, offers the example of a district initiative to create teacher leaders, who teach half time and coach other teachers half time. Ashley was an early adopter, and the initiative has been an “unbelievably huge benefit to our school communities,” Rahn says. “But now, as they seek to bring it to the whole district, they’ve put all these strings attached to it that actually take away from it. They sent us a 42-slide PowerPoint® on how we need to organize the ecosystem in our school.” It included a rubric to rate the school’s readiness, a survey to fill out, and essays to write on why the teachers they chose were the most qualified—though Ashley was already using teacher leaders.

Rahn and some of his peers routinely ignore such mandates, then have to waste precious hours fighting up the chain of command until they get permission. The time they lose troubles him, Rahn says, but “I also think about my colleagues around the district, who are just as capable as I am, and they aren’t getting that option” to refuse.

This is the biggest reason innovation schools have not performed as well as charters, he believes. “Hold me accountable to whatever levels you want, but I need to be able to lead and do my job—and not be stuck in the weeds down here.”

A year ago, Rahn and three other innovation school leaders proposed an “Innovation Zone”—a group of innovation schools with its own independent, nonprofit board, which would negotiate flexibilities and a performance contract with the district. In December 2015 the Board of Education endorsed the idea, and in April 2016 they approved the contract. If done well, this initiative could be a real breakthrough, giving innovation schools the same autonomy charters

enjoy, along with a board to shield them from district mandates and politics and ensure that their autonomy is sustainable, even if a new board and superintendent go in a different direction. The jury is still out on whether innovation schools can bend the curve, but, if anything can, it will probably be the Innovation Zone.

## DENVER’S REMAINING CHALLENGES

Boasberg and the board deserve credit for putting in place many of the elements of a portfolio strategy. They have embraced charters, committing to expand their numbers even though they have no more empty buildings. They have finally pledged to be as tough in closing failing district schools as they are with failing charters, and to treat both sectors equally in awarding buildings. They have voted to create an Innovation Zone that may finally give district schools charter-like autonomy. They are moving more special education centers for extremely disabled students into charters, correcting an imbalance. And they have created an “innovation lab” for school design, called the Imaginarium. It runs design challenges in which people compete to develop the most innovative designs, with facilitated sessions to help them and a prize of \$100,000 for the best design.

Meanwhile, Denver has accomplished a dramatic expansion of full-day preschool, which is now available for most four-year-olds and a few high-risk and special-needs three-year-olds. Voters have funded the Denver Preschool Program with a sales tax increase for the past decade, and the state and district also provide money. Test scores and evaluations suggest the investment is paying off.<sup>50</sup>

Yet DPS still has a long way to go before most students graduate and most graduates are ready for college or a career. By 2014, only half of minority students performed on grade level across all subjects, only one in four low-income students. Achievement gaps by race and income were wide and growing wider. The problem was most acute at the secondary level: only one of three tenth graders was writing at grade level, while only one of five was at grade level in math.<sup>51</sup>

“I don’t think we have figured out how to educate low-

## DENVER OFFERS A LESSON ON PERFORMANCE PAY

In 2005, Denver stepped into the national spotlight by adopting a performance pay system negotiated with the teachers' union, financed by a \$25 million-a-year boost in property taxes. The subsequent decade of experience reveals a surprising lesson. No one in Denver thinks performance pay has made much difference in student outcomes, but most agree that charter schools—which aren't eligible for the taxpayer-funded performance pay—have made a big difference.

Performance pay can work. But compensation systems are more effective when they are fashioned by individual schools or groups of schools (charter management organizations). Different schools and teachers have widely different needs and attitudes toward performance pay, and fashioning one system for 150 different schools is probably a fool's errand.

The Denver effort began, in 1999, with a pilot negotiated for the Denver Classroom Teachers Association (DCTA) by Brad Jupp, the union leader who later became Superintendent Michael Bennet's chief policy advisor. The union not only embraced the idea, it helped raise more than \$1 million from foundations to finance it. But to participate a school had to get 85 percent of its teachers on board, so only 16 schools joined the pilot.

After four years, Jupp and the union used the lessons they had learned to negotiate a district-wide pay plan, called ProComp. In 2004, 59 percent of the teachers voted for that contract, and, in 2005, 70 percent of the citizens ratified a \$60-per-household property tax increase to finance it.

Incumbent teachers could opt into ProComp or continue with their old salary schedule, but all teachers hired after January 1, 2006 had to participate. The new system abandoned automatic salary increases for experience and graduate credit but offered potential raises and bonuses that could increase a teacher's annual pay by up to 20 percent. Teachers could earn them by:

- obtaining advanced degrees and certifications
- completing specialized professional development
- demonstrating proficient practice on a new evaluation system

- working at a hard to serve school or in a hard to staff position
- meeting classroom learning objectives
- exceeding student achievement expectations on state tests
- working in a school with distinguished achievement
- working in a school with high attendance and a high rate of growth<sup>1</sup>

Unfortunately, Denver made a common mistake: it used salary increases as the primary rewards, rather than one-time bonuses. This makes performance pay systems very expensive, because any salary increase costs money for the rest of an employee's career, while a bonus raises costs for only one year. Salary increases also create weaker performance incentives than bonuses, because the reward lives on for years, regardless of future performance.

In addition, incentives to participate in professional development courses or get advanced degrees turned out to have no impact on student learning.<sup>2</sup>

But many teachers loved ProComp, particularly because the new system imposed no ceiling on their incomes—they could continue earning salary increases for as long as they taught. "We learned that the incentives in late career to roll up your earnings were powerful but not productive," says Jupp. "And we needed to put more money at the front end of the career. This was a very painful learning for me, because it meant I had to burn a lot of bridges, but it was true. I watched friends stack up incentives as fast as they could, and they weren't becoming better teachers—they were getting more money. At the same time, we were getting high turnover in the early years."

So the district renegotiated in 2008, when the contract expired. ProComp version 2.0 shifted to more use of bonuses, and it eliminated all but two of the potential salary increases after a teacher's 14th year of service. "For a lot of teachers," says DCTA Executive Director Pam Shamburg, "that was a bait and switch."

Version 2.0 continues to award salary increases for an entire career for advanced degrees, licenses, or certificates and for meeting student learning objectives. Before the 14-year limit is reached, it awards salary increases for satisfactory evaluations and for professional development units (the latter become bonuses after 14 years). It provides bonuses for working in “high-needs schools” and in “hard-to-staff” roles, for those whose students’ test score growth exceeds expectations, and for teachers in top-performing schools and high-growth schools, based on the SPF. (Five of the bonuses are for \$2,481 each.) Finally, it provides up to \$4,000 over a career in tuition and student loan reimbursement.<sup>3</sup>

Today, according to union leaders, most teachers hired since 2006 feel pretty good about ProComp. Even veteran teachers are not nearly as negative about it as they are about school closures, teachers losing jobs, and charter schools.

But there is little evidence that ProComp has improved student performance. A 2010 evaluation by the University of Colorado at Boulder School of Education found that it seemed to have helped with teacher retention rates—particularly in hard-to-serve schools—but little else.<sup>4</sup> A 2011 study by the University of Colorado in Denver found little impact on retention, teaching practices, or student achievement.<sup>5</sup> And a 2014 study by Harvard’s Strategic Data Project found that some incentives rewarded the most effective teachers, as measured by their students’ median growth percentiles, but others did not.<sup>6</sup>

## THE BOTTOM LINE

The truth is, there is no one best way to compensate employees, just as there is no one best way to design or run a school. People are different, and students’ needs are different. In the many district and charter schools I have visited across the country, I have found no consensus about performance pay. Some people like it and some don’t. In Denver, many charters use

performance pay, but they don’t claim to have found the perfect system. They often tweak their systems over time, continually seeking to make them fairer and more effective in attracting and retaining the best teachers.

In contrast, when a large district bargains over performance pay with a teachers’ union, there is always pressure to water things down so every employee gets something. “Every time we have a conversation about moving it to the next level, there’s the usual, ‘We want all steps for everybody,’” Board of Education member Happy Haines told me. “The union politics is, ‘We represent everybody; we’ve got to do something for everybody.’ Which is completely the opposite of what we think should happen.” We want to “invest where we know we’re going to get the greatest return.”

The lesson: To maximize performance, leave decisions about pay structures—and many other things—up to individual schools (or groups of schools that use the same educational model).

Even Brad Jupp, an architect of ProComp, agrees. It’s still too easy for teachers to boost their salaries by “buying graduate credit and degrees,” he believes. That is not only expensive, it fails to reward excellence in the classroom. “Some compensation decisions might be better managed at the school level, just as they are at the firm level in the business world,” he says. “I’m persuaded that the school as firm really matters. There’s a lot of evidence we didn’t get ProComp 100 percent right in its first two or three years, and that there is still room for improvement.”

Rather than putting time and political capital into improving ProComp, DPS should accelerate the transition to charters and truly autonomous Innovation Zone schools. Let them craft their own pay systems, and give charters equal funding for performance pay, so they are no longer at a financial disadvantage.

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income kids,” says board member Barbara O’Brien, a former state legislator and lieutenant governor, who has been at the forefront of education reform for decades. “There are fabulous, charismatic leaders—a Bill Kurtz, a Chris Gibbons [CEOs of DSST and Strive Prep]—they’re out there. But, in terms of a whole district of 90,000 students, the change is incremental. We’re not moving the needle for the whole district.”

In contrast, Denver’s charter schools *have* figured out how to educate low-income children. Hence the first two challenges Denver faces, if it wants to accelerate its progress, concern replacing failing district schools with charters.

### 1. Accelerate the replacement of failing schools.

As Alexander Ooms found in his 2014 report, “The strategy of closing poorly-performing schools appears to be migrating a meaningful number of low-income students into quality schools. ... [I]n 2009, there were just 3,121 low-income students in Denver’s quality schools”—those with SPFs of at least 70. “In 2013, their number had nearly tripled, to 9,342. It would appear that many of these students have migrated from neighborhoods where previously the only option was a closing school.”<sup>52</sup>

But a recent study by CRPE found that roughly half of Denver’s worst schools remained stuck in the bottom 5 percent on test scores for three years running.<sup>53</sup> (Two-thirds did so in math and one-third in reading.) Denver needs to replace these schools faster. Replacement has been far more effective than trying to turn failing schools around, both locally and nationally. In Denver, the data suggests, replacement with charters has worked best—which leads us to the next challenge.

### 2. Expand the charter sector and ensure that there are adequate facilities for new charters.

To create more quality schools for low-income students, Denver needs more charters. “Quality new charter schools serve 78 percent low-income students,” Ooms reports. “Quality new district-operated schools serve just 18 percent. ... While the strategy of starting new schools is paying dividends

for DPS, the success in creating quality schools—as well as serving low-income students within those schools—resides overwhelmingly with charters.”<sup>54</sup>

Since DPS no longer has empty buildings, it must replace failing schools with charters and/or finance new facilities for charters. Either way, it should begin to recruit outstanding charter networks from outside Colorado. Several foundations made an effort to do so about eight years ago, but it ended badly. Yet excellent organizations such as Summit Public Schools, Green Dot Public Schools, and Uncommon Schools are expanding beyond their home regions. Surely Denver, which has a more hospitable environment for charters than most, could attract some of them.

### 3. Make the Innovation Zone work and expand it.

DPS leaders *and* staff will need to commit to true autonomy for the Innovation Zone if this is to work. Without it, it’s not clear that the entire innovation schools experiment will work.

### 4. Expand equal opportunity by expanding public school choice.

Denver is the big city with the second-most school choice in the nation, after New Orleans, according to the Brookings Institution.<sup>55</sup> As the sidebar on p. 12 explains, equal access to good schools has improved since the SchoolChoice enrollment system went into effect, in 2012. Given residential segregation, transportation challenges, and many parents’ preference for neighborhood schools, however, access is far from equal. By 2014, one in five kids was still enrolled where nearly 90 percent of the students were low-income minorities and the school performed well below the median.<sup>56</sup> Those who were not poor were 6.5 to 8 times more likely to be enrolled in the top 20 percent of elementary and middle schools on the SPF—the third-highest ratio among 50 cities studied by CRPE.<sup>57</sup>

Hence it is critical that the board continue to replace low-performing schools, as argued above. In addition, it should expand the shared enrollment zones, with their bus systems, to cover most or



DENVER'S CHARTER SCHOOLS HAVE FIGURED OUT HOW TO EDUCATE LOW-INCOME CHILDREN. HENCE THE FIRST TWO CHALLENGES DENVER FACES, IF IT WANTS TO ACCELERATE ITS PROGRESS, CONCERN REPLACING FAILING DISTRICT SCHOOLS WITH CHARTERS.

all of the city. Finally, it should reserve a certain percentage of seats for low-income students—as DSST does—in more schools. Breaking up the concentrations of poverty in schools will go a long way toward improving the education of low-income kids and reducing the number of failing schools.

**5. Expand equal opportunity by budgeting for actual teacher salaries rather than average teacher salaries.**

Most school districts assign a certain number of teachers per student to each school, then assume in their budgets that each teacher costs the same amount. They also use seniority rules that give veteran teachers an ability to fill open spots in sought-after schools. These are usually the schools with the most “teachable” students. Hence veteran teachers in urban districts gravitate to schools with middle-class students, while low-income schools get the new teachers. Because traditional teacher salaries rise based on

seniority, not performance, most districts spend more on veteran teachers for middle-class students than they do on inexperienced teachers for poor students.<sup>58</sup>

Denver has given innovation schools the option of choosing to budget based on actual or average salaries. The majority have chosen actual salaries, so they can save money and invest it in more teachers, psychologists, technology, or whatever they feel will most help their students. But the majority of DPS-operated schools still use average salaries, which means the district spends more per student in middle-class schools. If the district truly wants to equalize opportunity for all students, it must eliminate this financial advantage. That is politically difficult, because it means taking money away from middle-class schools, where parents are often more vocal and politically active. Hence DPS would be wise to phase the change in gradually, to minimize the opposition.

## 6. Tame “the district monster:” create real autonomy for all schools.

As the discussion of innovation schools above makes clear, DPS schools need more autonomy, but not all central staff are willing to give it to them. DPS staff are still acting as if school autonomy should be partial and should depend on the quality of the school—i.e., struggling schools should be held on shorter leashes. This is counterproductive. As the charter sector has shown, it is far more effective to let principals and their colleagues make the decisions at their schools, but hold them accountable for performance and remove their team if children are not learning enough.

In their haste to drive improvement, DPS leaders have also launched so many new initiatives that they have overwhelmed some schools. These initiatives should be voluntary, because schools work best when their leaders decide what changes to implement and when. Otherwise, even the best intentioned innovations can backfire.

Both principals and teachers are overwhelmed by all the demands, according to Pam Shamburg, executive director of the teacher’s union. “Just yesterday, somebody forwarded me an email they got,” she told me: “The superintendent has decided he wants 10,000 home visits done, so, in their school, it means 280 home visits. Not that they’re a bad idea, but when? When do we do this? With all the parent meetings we’re supposed to have, all the curriculum meetings, all the Common Core training, when do we stop? When is there enough time?”

On union surveys, Shamburg says, teachers continually express the same frustration: “I’m overwhelmed, I’m exhausted, I don’t know how to do this.’ Our teachers are just: ‘Can we stop? Can I learn to do one new thing before we add?’”

“It’s no wonder that Denver suffers from fairly high turnover among new teachers,” adds Kerrie Dallman, president of the Colorado Education Association.

I ran into this problem at one of the Far Northeast turnaround schools, which are part of something

called the Denver Summit Schools Network (DSSN), managed by a national organization founded by Harvard Professor Roland Fryer, called the Blueprint Schools Network. These schools take direction from both DSSN and DPS, and they are under intense pressure to improve quickly. At some schools teachers are told to do new things with no explanation about why and no support to learn how to do them. “There’s a huge sense of immediacy—data immediately needs to go up, best practices need to happen in every classroom,” one told me. But most teachers are new, and there isn’t much training or professional development.

The attitude is, “Fix it now, without knowing how to fix it. And your job is on the line if you don’t. People feel a lot of stress, because you know your job is not protected.” Meanwhile they are expected to teach seven 45-minute classes a day, plus an advisory session—an absurd teaching load—so they have little time to plan or prepare.

“People who are super committed to kids have left this network,” another teacher told me. At her school, they lost 80 percent of their staff after their first year and 70 percent after their second, she said. “All the systems fall apart because you lose the people who supported them.”

In addition to making many of its edicts voluntary for schools, the district should give all principals control over internal services such as professional development, hiring, food service, and facilities maintenance. Innovation school principals can seek waivers. And in 2015 the district announced that all principals could manage their own professional development, curriculum, and assessments—and receive a bit of district money allotted for those functions. Only about a quarter volunteered to do so in the first year, though the number will no doubt rise.

If DPS is serious about school autonomy, it should hand principals control of and funding for all central *service* functions—but not *policy* or *compliance* functions. It should turn the central offices that provide services into public enterprises that must earn their money by selling their

services to schools, and principals should be free to buy those services elsewhere if they prefer. This approach—pioneered 30 years ago by Edmonton, Alberta—has been used by other districts to ensure that principals are empowered and central service offices provide quality services at a market price.<sup>59</sup>

Consider school maintenance. The Denver Green School is an innovation school run collectively by a group of teachers. They pay \$280,000 a year for facilities, which includes maintenance. They've thought about opting out—hiring one maintenance person and using the savings in the classroom. But it's not easy, says Frank Coyne, one of the school's leaders: the district requires that they write a detailed plan for how they would handle it. "It's union backed, and it gets real political real fast," he adds. "They can't tell you what you get for 280 grand, right—there's insurance, there's maintenance—but we still wait three weeks for a plumber."

#### 7. Align DPS staff around the portfolio strategy.

The struggle over autonomy is part of a larger problem: a lack of alignment within the DPS bureaucracy. The district has had a "strategic plan" since 2005, now called *The Denver Plan 2020*. But it is primarily a set of goals, with less emphasis on strategies. Because they did not want to give the opposition a big target, Bennet, Boasberg and their allies on the board chose never to use the phrase "portfolio strategy" and never to talk about their intention to increase the number of charter schools.

Politically, this silence has been successful. In contrast, when Newark Superintendent Cami Anderson presented her strategies in her "One Newark" plan, it gave her opponents a big, fat target, and she was gone within two years.<sup>60</sup> But the price of Denver's success has been frustration on the part of principals who have to deal with central office staff who don't share Boasberg's vision. "From my observations of the district, it would seem that, if they were clearer, they could actually move the needle much faster," says Van Schoales, CEO of A+ Colorado. "I feel that often people are spinning their wheels—working hard, but not necessarily working together to move in the right direction."

#### 8. Double down on development and recruitment of strong school leaders.

The lack of alignment has also led to inconsistencies in hiring school leaders. Finding leaders who can turn around schools full of low-income kids is usually the toughest challenge in any city, and, in Denver, those making the choices have not always been on the same page. If DPS leaders more clearly articulated their overall strategies, their employees might better understand their priorities.

"We've just got people being snatched up and given a school because a principal quit midyear," says O'Brien. "Or a principal who's just getting things together, they throw into a school in flames—and both schools go downhill. We don't have enough of the kind of people who have the experience and can handle the autonomies to cover enough schools. That's what we need to figure out."

Turnover of principals is a huge problem in Denver, particularly in schools full of low-income kids. A 2015 analysis by the publication *Chalkbeat Colorado* revealed that, "although Denver's overall principal turnover rate has fallen by almost half, turnover has not slowed at nearly a quarter of Denver schools, where three or more principals have come and gone since 2008. That churn is concentrated in schools where the district has pushed its most intense improvement efforts, schools that researchers say are most in need of high quality and steady leadership."

"Principals are thrust into struggling schools with little training, given support that feels more like being watched, and held to expectations that some describe as impossibly high. As schools lose principals to burnout or officials move them out, rocky transitions disrupt students' classrooms and leave communities feeling isolated from their schools."

*Chalkbeat Colorado* points to the turnaround effort in Far Northeast Denver as an example: "Seven of the eight schools in whose turnaround Denver invested significant resources have seen at least three leaders since the district's efforts kicked off in 2010."<sup>61</sup>



DPS IS TO BE APPLAUDED FOR ITS MULTIPLE STRATEGIES TO DEVELOP STRONG SCHOOL LEADERS AND HAVE THEM SHARE RESPONSIBILITIES WITH CO-LEADERS AND TEACHER LEADERS.

DPS is to be applauded for its multiple strategies to develop strong school leaders and have them share responsibilities with co-leaders and teacher leaders. Boasberg believes these efforts are beginning to pay off. The percentage of teachers rating their principals “effective” or “very effective” had grown from 62 in 2012 to 84 in 2015. Given how big a challenge effective leadership is in low-income schools, however, the district should double down on principal recruitment and development.

#### 9. Fix the School Performance Framework.

To give an accurate reflection of school progress, growth and proficiency should be weighted more equally. In addition, DPS should simplify the SPF, raise standards, and make the five performance bands more equal in their range. (See the sidebar on p. 6 for more.)

### THE SECRETS OF DENVER’S POLITICAL SUCCESS

How has Denver managed to pursue a portfolio strategy for eight years, with an elected school board, when

similarly bold strategies have been turned back in other cities? Former board member Bruce Hoyt argues that DPS leaders have been “strategic about the pace of reform.” He points to superintendents who moved too fast—David Hornbeck in Philadelphia, Alan Berson in San Diego, and Michelle Rhee in Washington, D.C.—and spurred a backlash that undermined reform in the first two cities and would have in D.C. if Mayor Vince Gray had been a more typical politician.<sup>62</sup>

“School systems operate in a complex environment of stakeholders,” Hoyt says. “Tom Boasberg told me once that he would get frustrated one Friday because they hadn’t pushed hard enough and would worry the next Friday that they had pushed too hard and burned out the staff or community. Keeping healthy tension on the wire without snapping it is the key balancing act.”

Others would disagree, arguing that if much of the academic progress in Denver is coming from charter schools, expanding the percentage of students in charters from 7 to 18 over a decade is hardly fast

enough. But until DSST and Strive Prep proved so effective, Hoyt points out, “There was still a lot of political backlash against the concept of charter schools.” If the board had moved faster, “I think we might have lost the board majority and lost the strategy entirely.” It is certainly true that Denver has managed to keep moving forward without stirring an electoral backlash.

Being agnostic about school type—charter vs. traditional vs. innovation—has also played a role. By signing a compact with the charters and including them fully in district policy but refusing to indicate any preference for them, Boasberg avoided giving the opposition something to rally around. That may have slowed the expansion of charters, but—when combined with the strong performance of DSST, Strive, KIPP, and a few others—it neutralized any backlash.

It also helped that Bennet secured the political support of the Metro Organizations for People and Padres Unidos. The SPF was indispensable, producing data that justified actions like closing, replacing, and replicating schools. Beginning in 2011, reformers got serious about raising money and recruiting strong school board candidates. And more than a decade

of consistent leadership at the superintendent level cannot be underestimated. Profound change is almost impossible without continuity of leadership.

Truth be told, luck also played a role. Had Nate Easley turned out to be a reliable ally of the teachers’ union in 2009, Denver’s embrace of a portfolio strategy might have ended there and then.

Tom Boasberg is currently on a six-month sabbatical, but when he returns this summer, he is likely to enjoy support from a majority of the board for quite a few years. The opposition is weak and disorganized, and all the momentum is on the side of the reformers. If anything, some on the board are frustrated that Boasberg is not moving *faster*.

Within a decade Denver may well reach a tipping point, where a majority of public school families benefit from 21st century governance, in the form of charters and Innovation Zone schools. If that happens, the reforms will be difficult to undo. And Denver will have proven that an elected board can successfully transform a 20th century school system organized on the principles of bureaucracy into a 21st century system built to deliver continuous improvement.

Figure 13: The Secrets of Denver's Political Success



## ENDNOTES

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David Osborne is director of the Progressive Policy Institute's project on Reinventing America's Schools. He is the author or co-author of five books on public sector reform, including the *New York Times* bestseller, *Reinventing Government*. Osborne has also authored numerous articles for the *Washington Post*, *The Atlantic*, the *New York Times Magazine*, *Harpers*, *U.S. News*, *Education Week*, *Education Next*, *The New Republic*, *Governing*, and other publications. He is currently working on a book on education reform.

Osborne has advised governments large and small, from cities, counties, and school districts to states, federal agencies, and foreign governments. In 1993, he served as a senior advisor to Vice President Gore, to help run what the Vice President often called his "reinventing government task force," the National Performance Review. Osborne was the chief author of the NPR report, which laid out the Clinton Administration's reinvention agenda, called by *Time* "the most readable federal document in memory."

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