

Fact-Base for DCPS Reform

December 2006



THE PARTHENON GROUP

Boston • London • San Francisco

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Fact-Base for DCPS Reform

Executive Summary

DCPS is in an Education “State of Emergency” that requires an immediate turnaround strategy

- For almost 20 years, DCPS has had a clear vision of what is needed to improve student achievement
 - District pain points have remained largely unchanged since the 1989 COPE report “Our Children, Our Future”
 - Improvements to instructional capabilities, teacher/principal workforce, central office administration, facilities, accountability structures, and Special Education continue to underscore DCPS’ most critical needs – and ultimately undermine student achievement

Yet despite a solid vision of key reform needs, progress has been slow

- The consistency of leading DCPS challenges documented for almost two decades underscores slow or minimal progress
 - The inability to deliver consistent results across clear reform needs is alarming, despite repeated attempts

Complex governance structures and a lack of clear accountability have hindered critical reform efforts

- The cumbersome nature of DCPS’ governance structure has resulted in leading impediments to reform:
 - A system-wide lack of accountability
 - An inherent inability to accelerate change
 - A culture of inertia or inaction

Mayoral control of DCPS will accelerate the system’s ability to urgently improve student achievement

- Mayoral control must be viewed as a catalyst or “enabler” to change – in order to make drastic improvements to student achievement, DCPS must:
 - Establish clear and liable accountability for outcomes
 - Bring swift action to a dysfunctional system
 - Break the cycle of inactivity

Agenda

- **What Is The Need For Reform?**
- What Key Levers Should Be Used?
- What Is The Role of Governance?

What Is the Need for Reform?

DCPS' Problem is Not in Diagnosis – The Same Pain Points Have Been Highlighted for Almost 20 Years

1989: COPE Report "Our Children, Our Future"	1995: "Our Children Are Still Waiting" (COPE)	2001: DCPS Business Plan for Strategic Reform	2005: "Restoring Excellence to DCPS" (CGCS)	2006: DCPS Master Education Plan
<ul style="list-style-type: none"> • Redesign teaching, curriculum and testing to raise student achievement 	<p style="text-align: center;">✓</p> <ul style="list-style-type: none"> • "By almost any measure, student academic performance has worsened" 	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>
<ul style="list-style-type: none"> • Strengthen the workforce to attract and retain high quality teachers and principals 	<p style="text-align: center;">✓</p> <ul style="list-style-type: none"> • "No significant progress in improving the teacher workforce" 	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>
<ul style="list-style-type: none"> • Improve central office efficiency and support functions 	<p style="text-align: center;">✓</p> <ul style="list-style-type: none"> • "Problems persist in providing adequate support to schools" • "Schools are shackled by an oppressive bureaucracy" 	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>
<ul style="list-style-type: none"> • Review special education program management and build system capacity 	<p style="text-align: center;"><i>Not explicitly addressed in COPE</i></p>	<p style="text-align: center;">✓</p> <ul style="list-style-type: none"> • "[We must] effectively manage and strengthen SpEd programs" 	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>
<ul style="list-style-type: none"> • Repair facilities to be decent and conducive to learning 	<p style="text-align: center;">✓</p> <ul style="list-style-type: none"> • "Most school buildings <i>still</i> need renovations or repairs requiring hundreds of millions of dollars" 	<p style="text-align: center;">✓</p>	<p style="text-align: center;"><i>Not explicitly addressed in Council of Great City Schools</i></p>	<p style="text-align: center;">✓</p>
<ul style="list-style-type: none"> • Create community-wide engagement 	<p style="text-align: center;">✓</p> <ul style="list-style-type: none"> • "[School] failings are tolerated [because] of the utter indifference of many within this community" 	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p>

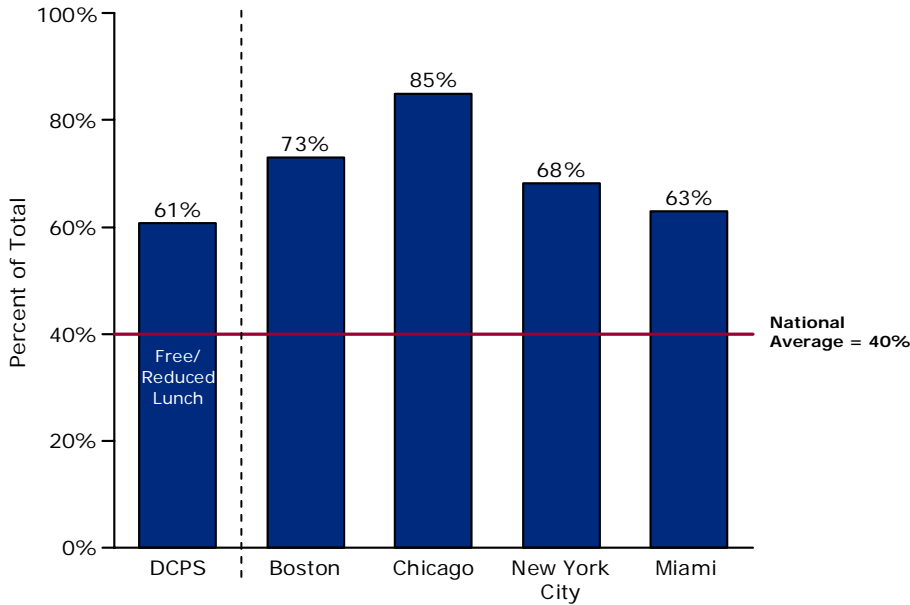
Note: DCPS addresses facilities repair in separate Master Facilities Plan

Source: D.C. Committee on Public Education (COPE) *Our Children Our Future* (June 1998); DCPS Business Plan for Strategic Reform, April 14, 2003; *All Students Succeeding*, A Master Education Plan for a System of Great Schools, DCPS, February 2006; D.C. Committee on Public Education (COPE) *Our Children Are Still Waiting* (1995); Restoring Excellence to the District of Columbia Public Schools, Council of Great City Schools, January 2004 Fact Base for DCPS Reform (Updated): Page 5

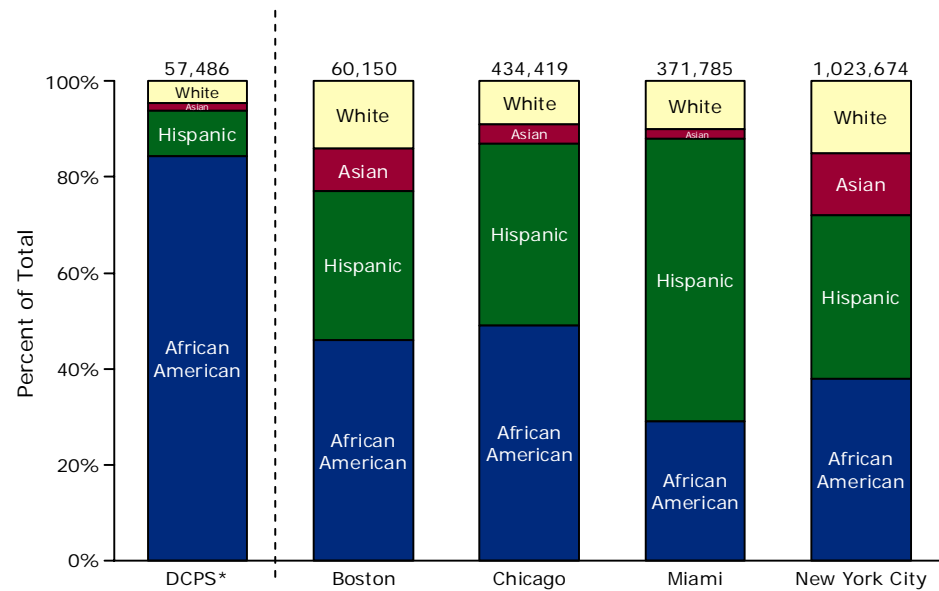
What Is the Need for Reform?

DCPS Is 54th Largest District in the U.S. and Enrolls A Diverse Student Population

K-12 Free/Reduced Lunch Levels at National and City Level (2003-2004)



District Student Enrollment by Ethnicity (2003-2004)



Note: *Does not include charter school student population

Source: DCPS Website; *Characteristics of the 100 Largest Public Elementary and Secondary School Districts in the United States: 2003-2004*, NCES, September

2006; NYC DOE; Chicago Public School; Boston Public Schools; Miami-Dade County School District; Schoolresults.org; US Census

Fact Base for DCPS Reform (Updated): Page 6

What Is the Need for Reform?

DCPS Student Achievement Ranks at Bottom of Urban Districts Nationwide, Trailing Peers by Wide Margin

2005 4th Grade Reading

2005 4th Grade Math

2005 8th Grade Reading

2005 8th Grade Math

<u>Urban District</u>	<u>% Below Basic</u>
1. Charlotte	35%
2. National Public	38%
3. Austin	39%
4. New York City	43%
5. Houston	48%
6. San Diego	49%
7. Boston	49%
8. Atlanta	59%
9. Chicago	60%
10. Cleveland	63%
11. Los Angeles	63%
12. DC	67%

<u>Urban District</u>	<u>% Below Basic</u>
1. Charlotte	14%
2. Austin	15%
3. National Public	21%
4. Houston	23%
5. San Diego	26%
6. New York City	27%
7. Boston	28%
8. Cleveland	40%
9. Los Angeles	42%
10. Atlanta	43%
11. Chicago	48%
12. DC	55%

<u>Urban District</u>	<u>% Below Basic</u>
1. National Public	29%
2. Charlotte	31%
3. Austin	35%
4. San Diego	37%
5. Boston	39%
6. New York City	39%
7. Chicago	40%
8. Houston	41%
9. Cleveland	51%
10. Los Angeles	53%
11. Atlanta	54%
12. DC	55%

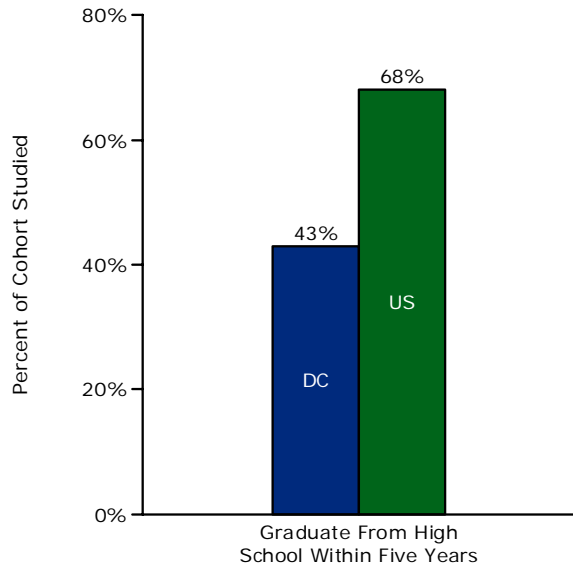
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What Is the Need for Reform?

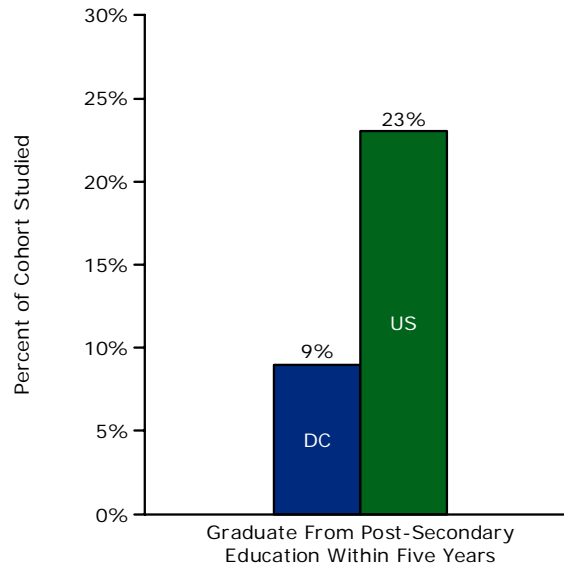
DCPS Schools Are Not Preparing Students for Work or College

- DCPS is fundamentally failing its students across all aspects of the educational pipeline, which perpetuates broader challenges faced by the city (e.g. unemployment)

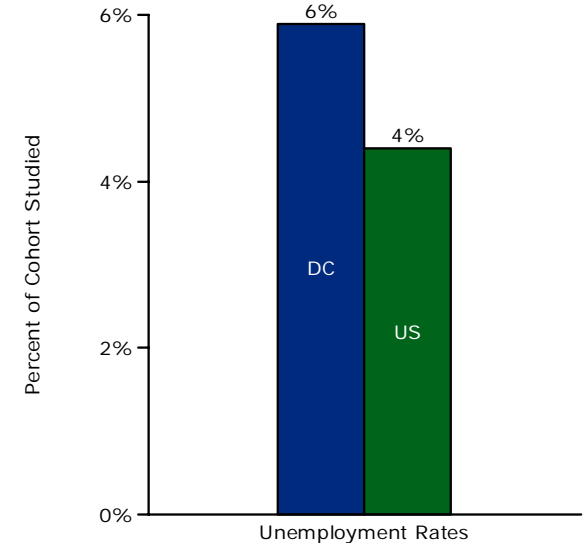
D.C. vs. U.S. Cohort High School Graduation* (2001-2006)



D.C. vs. U.S. Cohort Post-Secondary Graduation Rates* (2001-2006)



D.C. vs. U.S. Unemployment Rates (October 2006)**



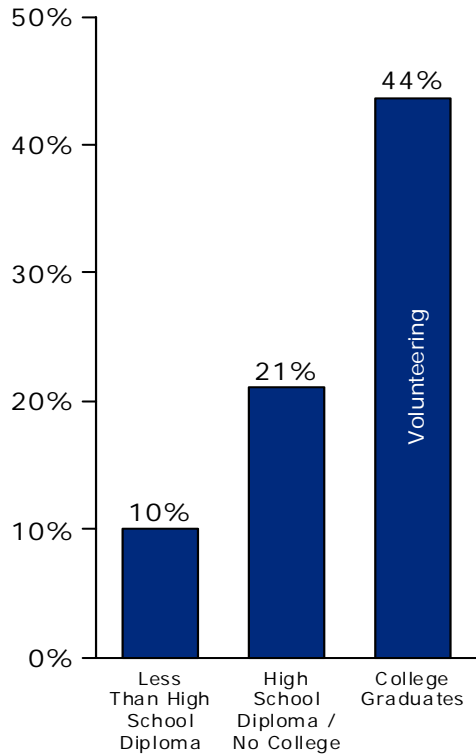
Note: (*) Analysis studies a cohort of DCPS and Public Charter School students who were in the 9th grade in 2001-2002 to see how many students graduated from high school within five years and how many students enrolled in post-secondary opportunities within five months of graduating from college; Percentage of student cohort graduating from post-secondary education within five years was calculated using previous data sets to estimate the percent of D.C. students that would graduate; (**) Unemployment rate seasonally adjusted

What Is the Need for Reform?

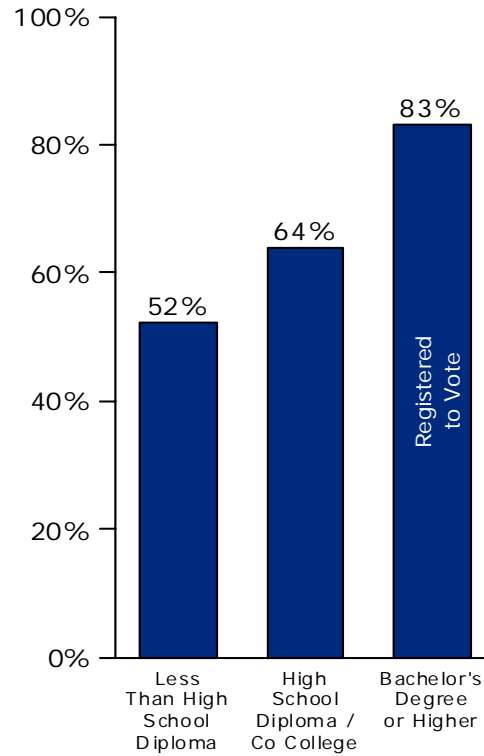
Not Graduating from High School Correlates with a Range of Negative Social Effects...

- High school and college graduation have a significant influence on adult community and labor market engagement

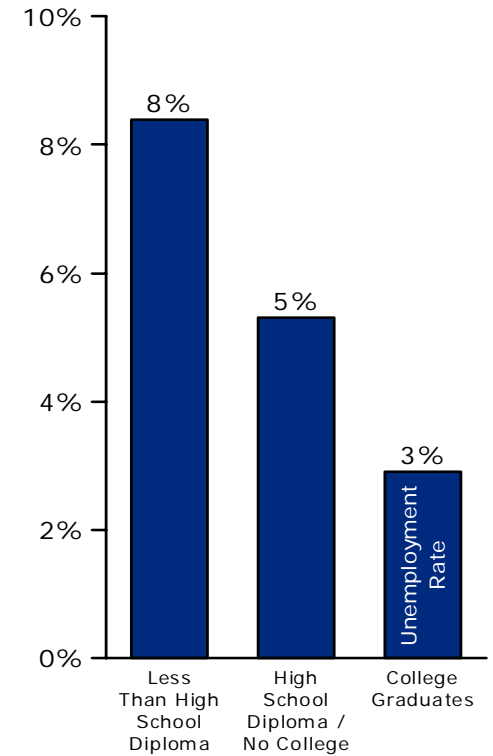
**Percent of Adult Population
Volunteering (2001-2002)**



**Percent of Adult Population
Registered to Vote (2000)**



Adult Unemployment Rate (2001)

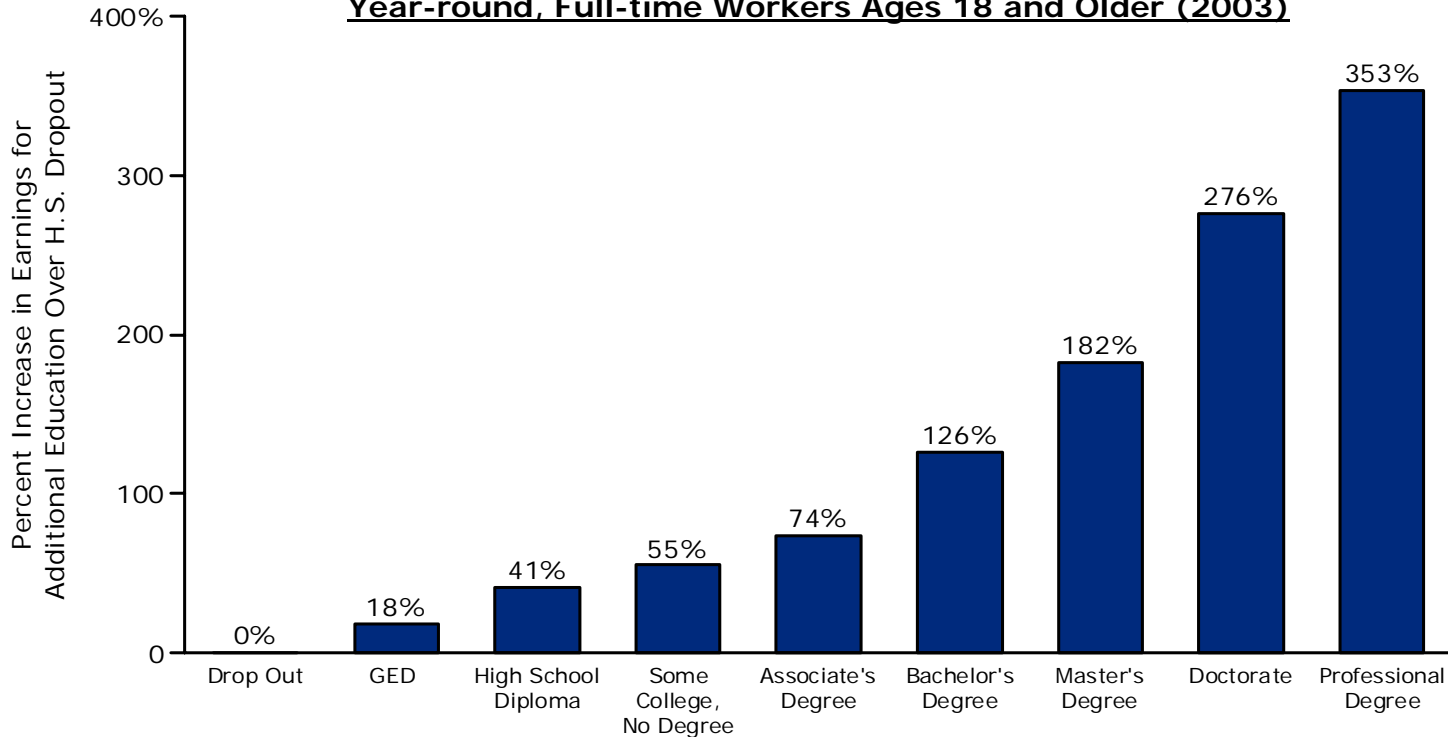


What Is the Need for Reform?

...And Failure to Attain a GED or College Diploma Perpetuates the Cycle of Poverty, Undermining the Social Fabric of DC

- A college graduate with a Bachelor's Degree will earn over \$1,000,000 more than a high school dropout over the course of his or her lifetime

Increase in Earnings Relative to H.S. Dropouts for Year-round, Full-time Workers Ages 18 and Older (2003)



Median Earnings	\$21,068	\$24,903	\$29,635	\$32,702	\$36,753	\$47,552	\$59,432	\$79,140	\$95,447
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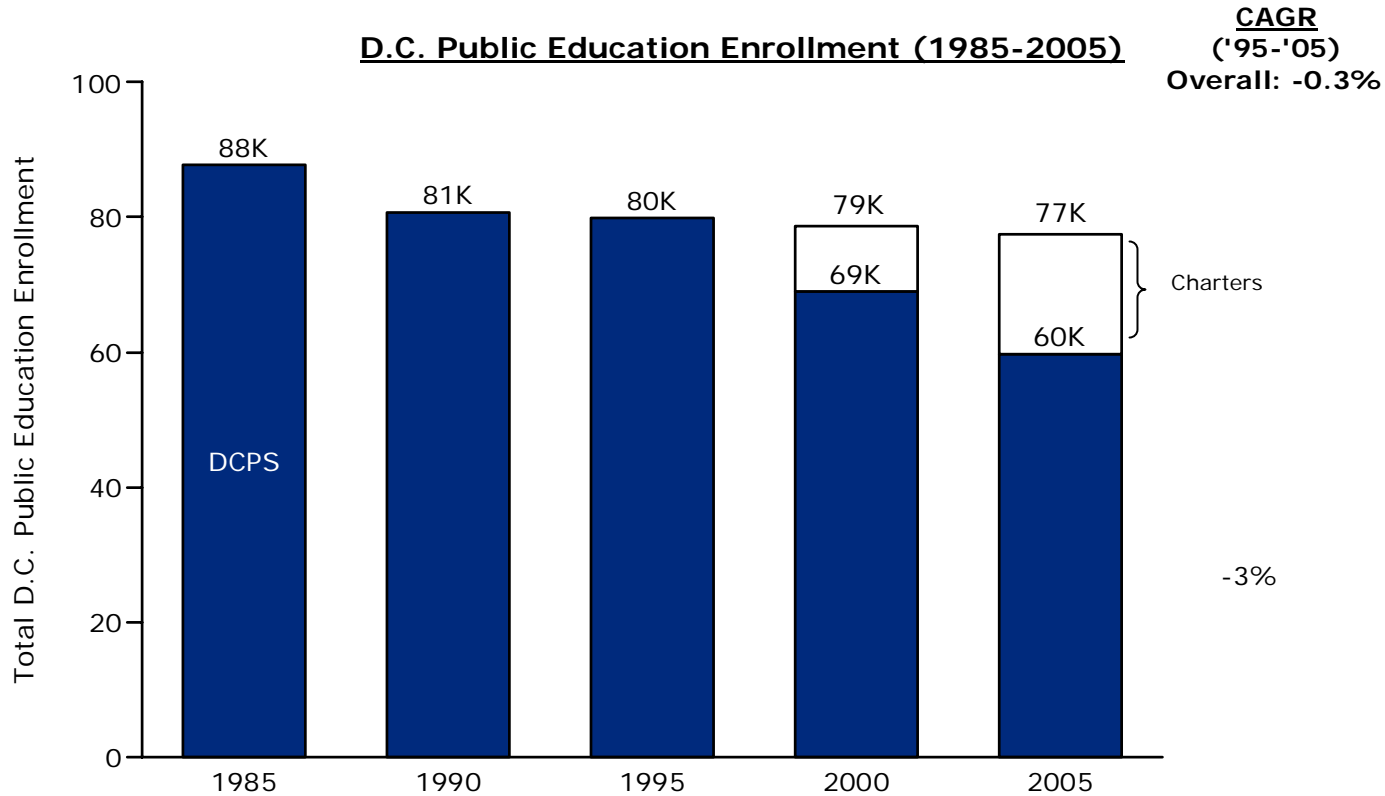
Note: College graduates with Bachelor's degrees earn approximately \$25K more per year than a high school dropout. Over a 40-year career, this equates to \$1MM in additional income

Source: The Bureau of Labor; National Bureau of Economic Research

What Is the Need for Reform?

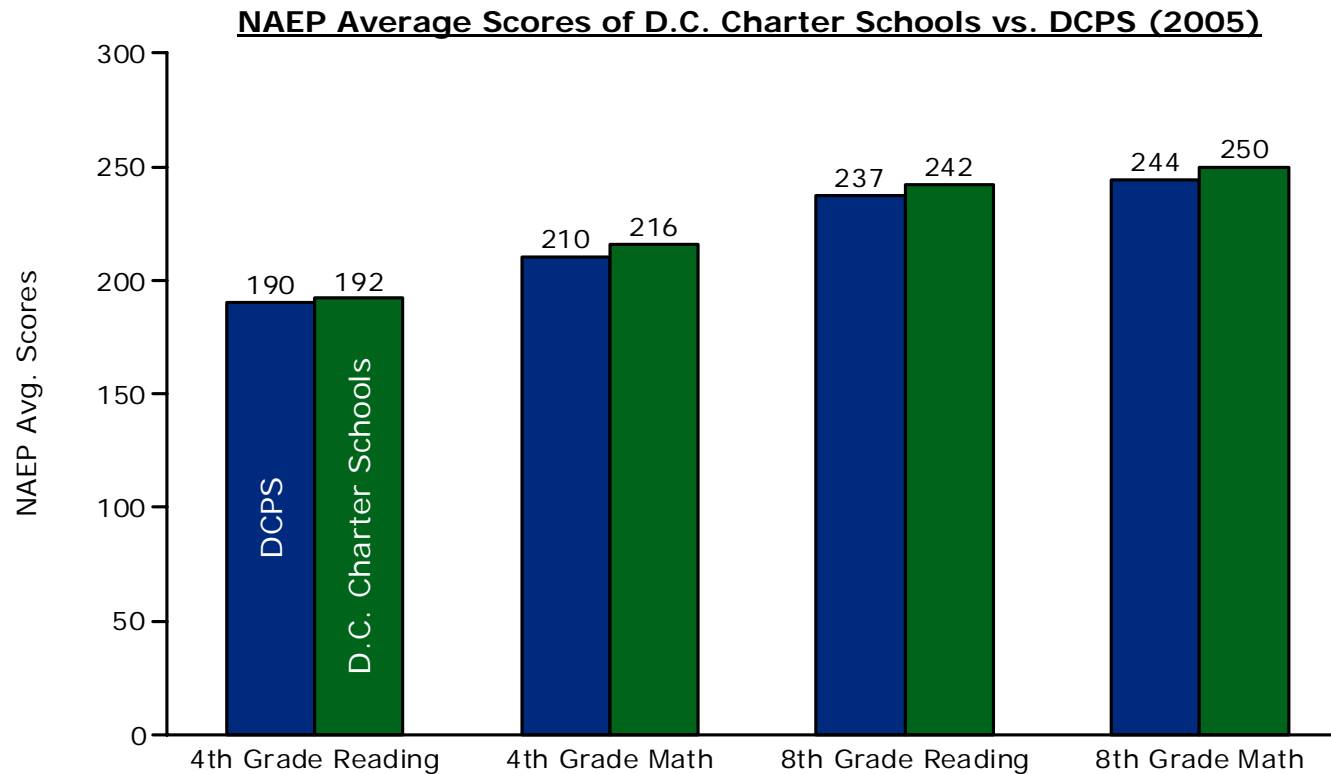
As a Result of Poor DCPS Performance, Students and Families Have Voted with Their Feet by Opting Out of DCPS

- Even as total DC public school enrollment has stabilized since 1990, DCPS has lost ~20K students to Charter Schools and other external options since the late 1990s



What Is the Need for Reform?

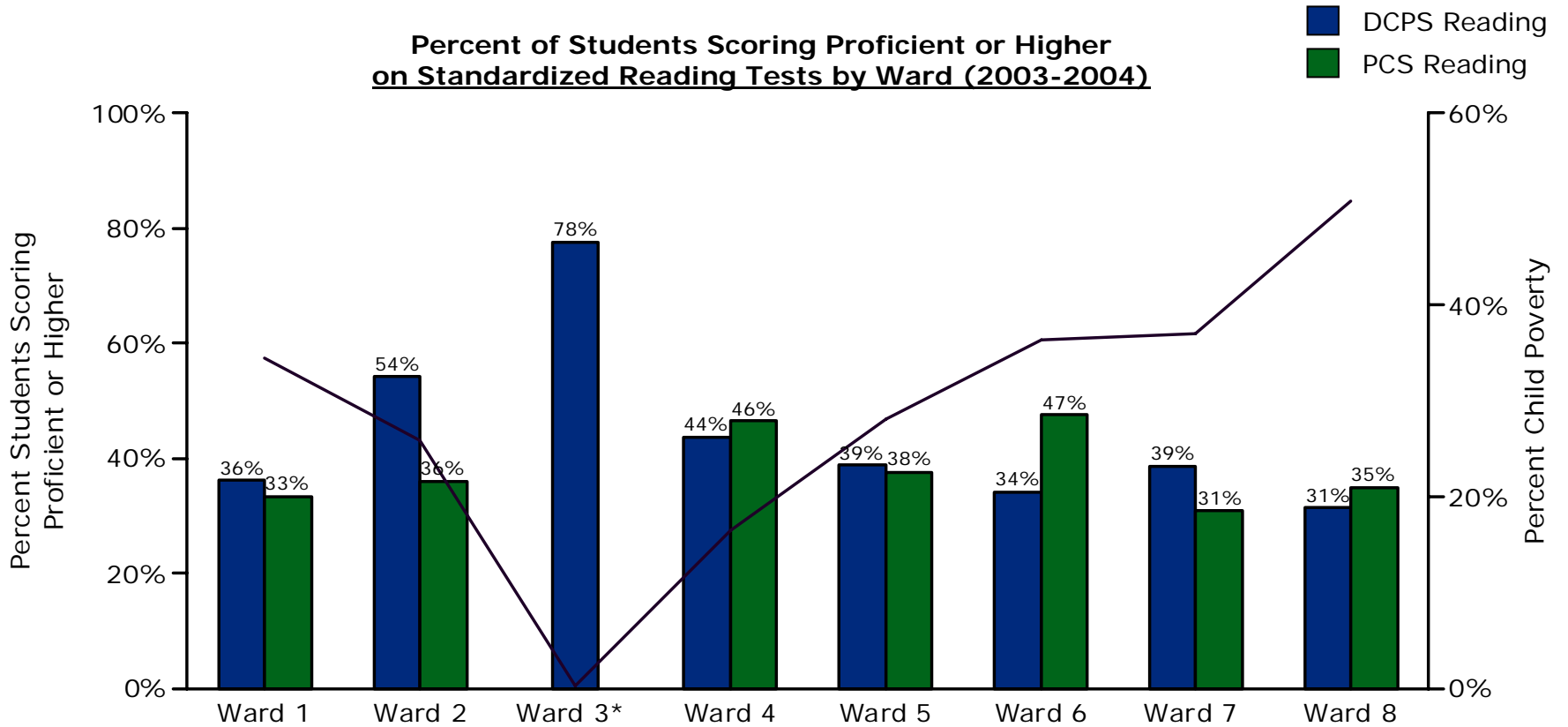
Notwithstanding Rapid Charter Growth, Improvement in Student Achievement Versus DCPS Is Not Dramatic



What Is the Need for Reform?

Furthermore, Charter School Performance is Mixed Across Wards

- Four out of seven wards demonstrated higher levels of reading proficiency at DCPS schools versus charter schools...

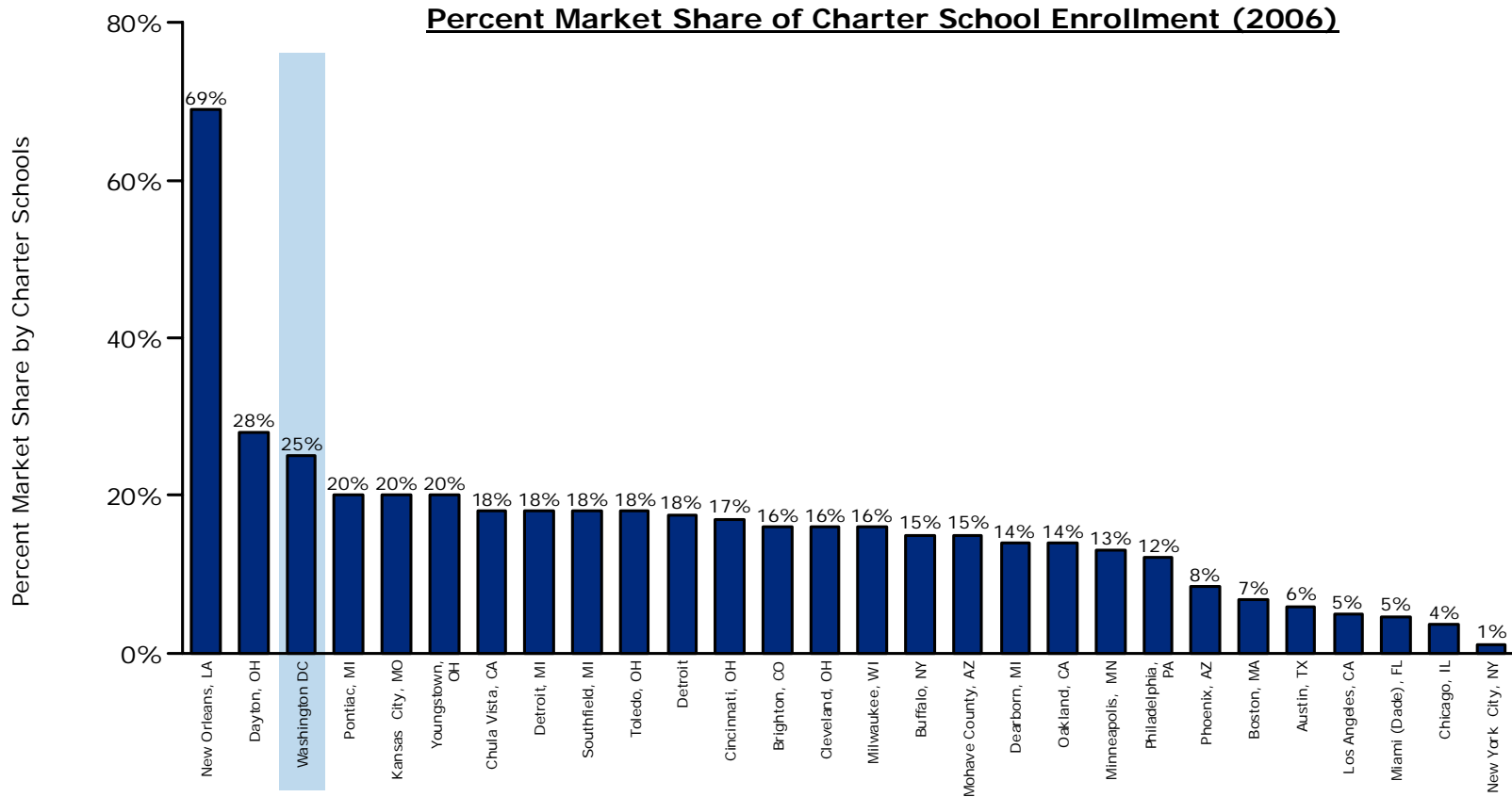


DCPS Student Share %	82%	90%	96%	91%	75%	79%	76%	76%
PCS Student Share %	18%	10%	4%	9%	25%	21%	24%	24%

Note: * No charter schools operate in Ward 3, although students have the option to attend charters outside of the ward. Standardized test scores reflect the appropriate standardized tests for their grade level

What is the Need for Reform?

Despite Mixed Performance, DCPS Has the Third Highest Concentration of Charter School Enrollment in the United States



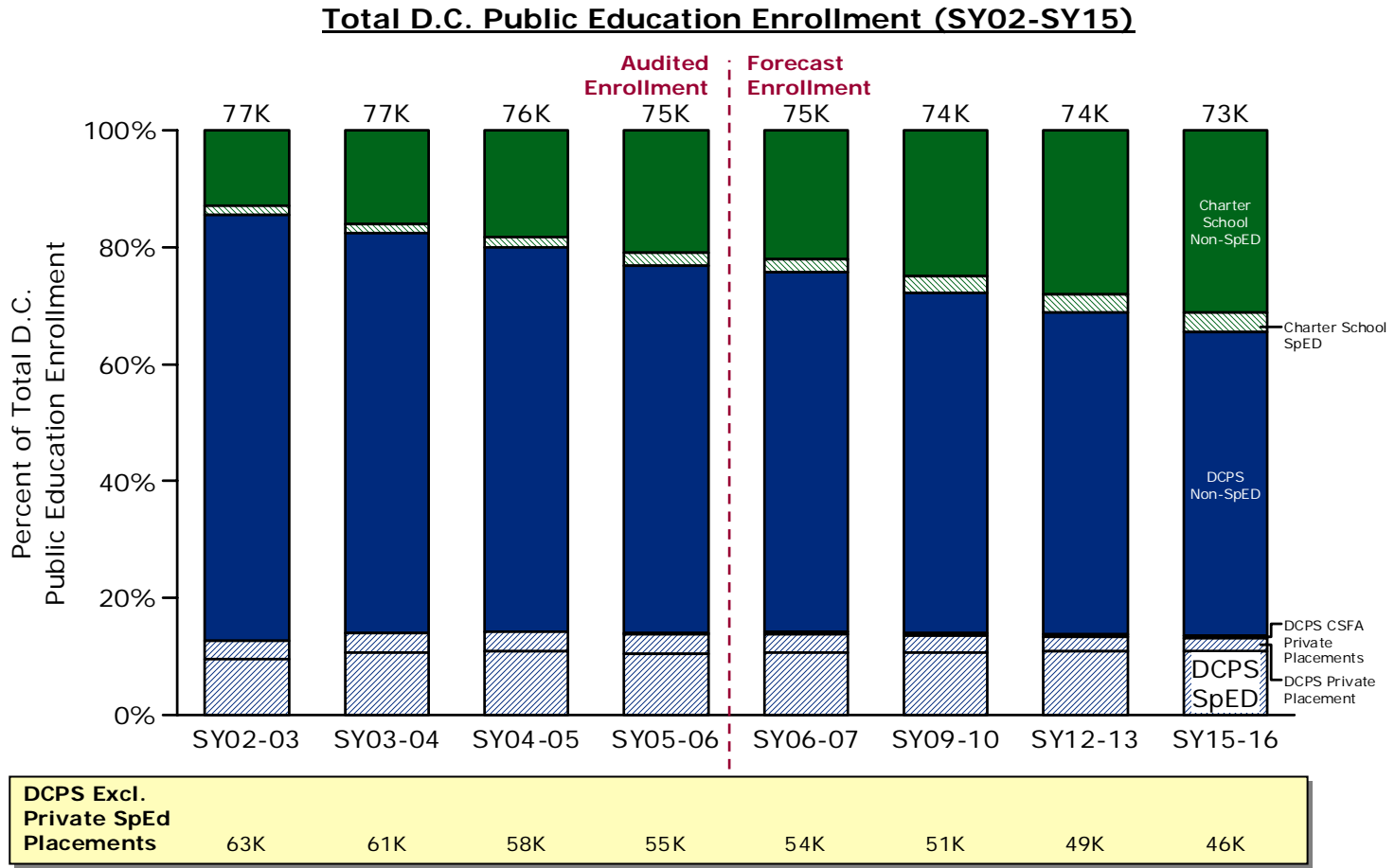
Note: Significant charter school penetration in New Orleans is very recent and linked to efforts to re-open schools in the aftermath of Hurricane Katrina

Source: National Alliance for Public Charter Schools; New Schools for New Orleans

Fact Base for DCPS Reform (Updated): Page 14

What Is the Need for Reform?

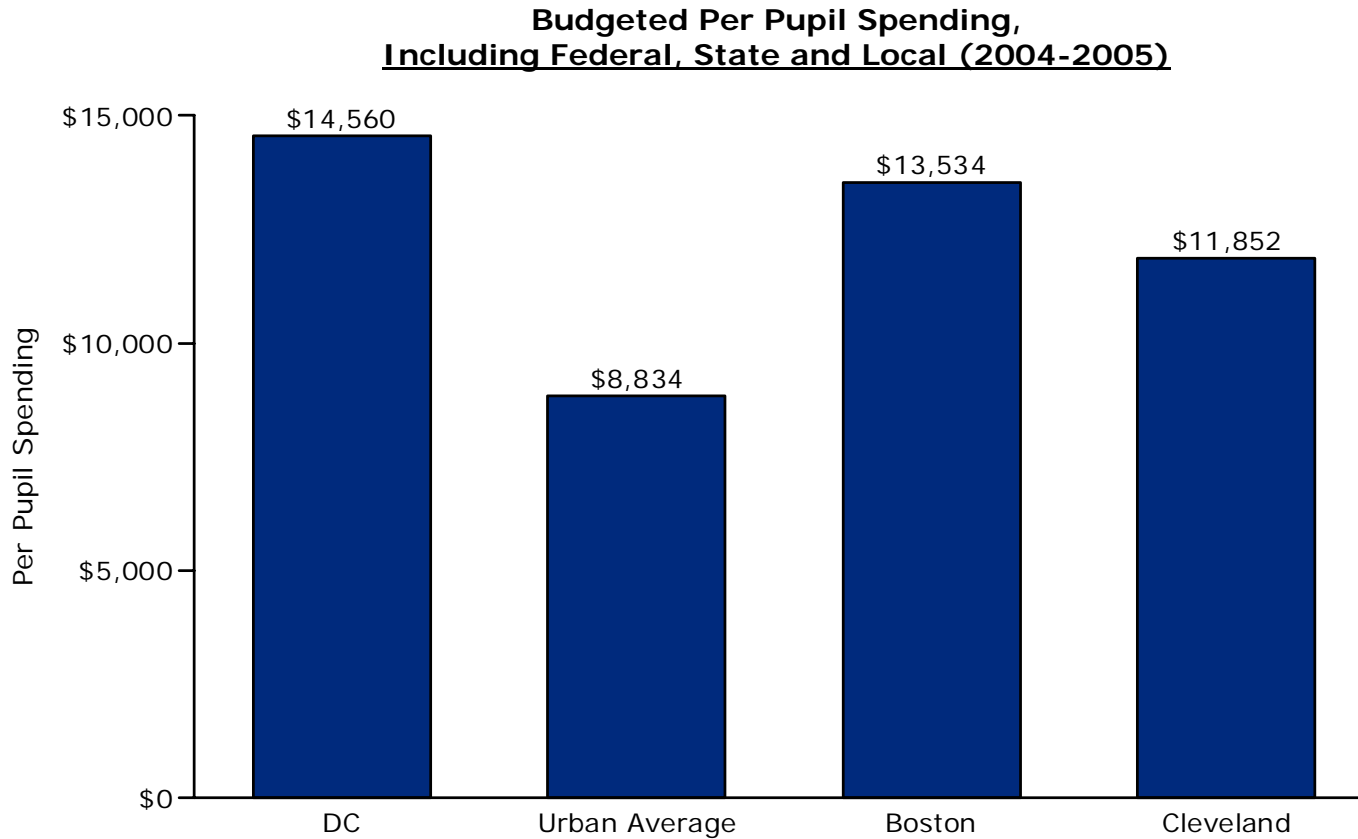
At Current Projections, Charter Schools Will Serve ~35% of D.C. Public Education Students by 2015



Key Assumptions: Total D.C. Public Education enrollment declines at -0.2% each year and charter school enrollment increases by 800 students each year, both at the expense of DCPS enrollment. Resulting annual decline in DCPS enrollment averages 946 students each year. Total D.C.-wide Special Education population is fixed at SY05-06 enrollment; charter school Special Education population is fixed at 9.8% of total charter school enrollment. Source: DCPS Proposed FY07 Operating Budget, May 2006; DCPS FY2007 Proposed Budget Board Presentation, February 2006; SEO Audited and Residency Verified Enrollment Reports; State of the District of Columbia Charter School Sector, 2006

What Is the Need for Reform?

Compared to Other Urban Districts, DCPS Operates At A Higher Per-Pupil Cost



Note: Figures reflect budgeted, not actual, amounts and are not adjusted for regional differences in the cost of living. DCPS per-pupil amount is based on a budget for 2004-2005 of \$943,348,705 minus \$44,850,418 in state-related expenses not incurred by other urban school districts. Net current spending equaled \$898,498,287. Per pupil amount is based on an audited student count of 71,710 for 2004-2005.

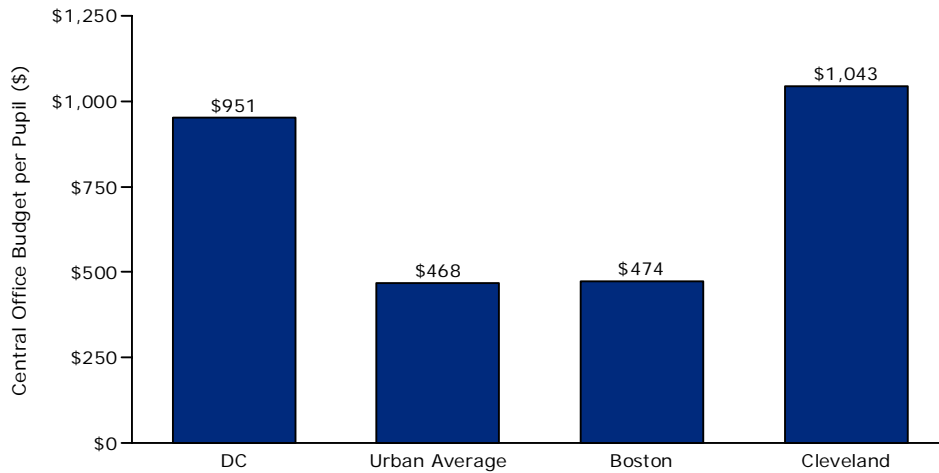
Source: Council of Great City Schools *Financing Excellence in the District of Columbia Public Schools* (2005)

What Is the Need for Reform?

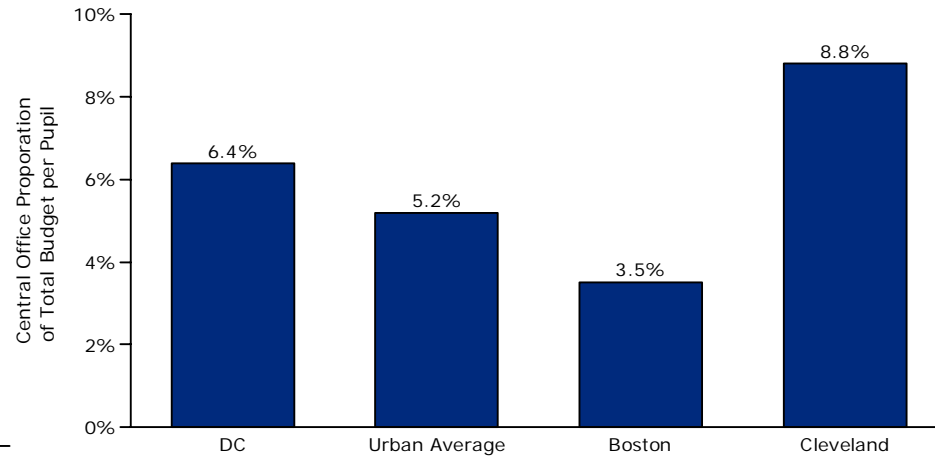
DCPS Central Office Spending Is Higher Than Most Districts

- DCPS spends more per pupil on its central office than other urban districts - declining enrollments will only exacerbate this trend, absent central office restructuring

Per Pupil Central Office Budget (2004-2005)



Proportion of Central Office of Total Budget (2004-2005)



Total per Pupil Budget (\$)	DC	Urban Average	Boston	Cleveland
	\$14.6K	\$8.8K	\$13.5K	\$11.9K

Total per Pupil Budget (\$)	DC	Urban Average	Boston	Cleveland
	\$14.6K	\$8.8K	\$13.5K	\$11.9K

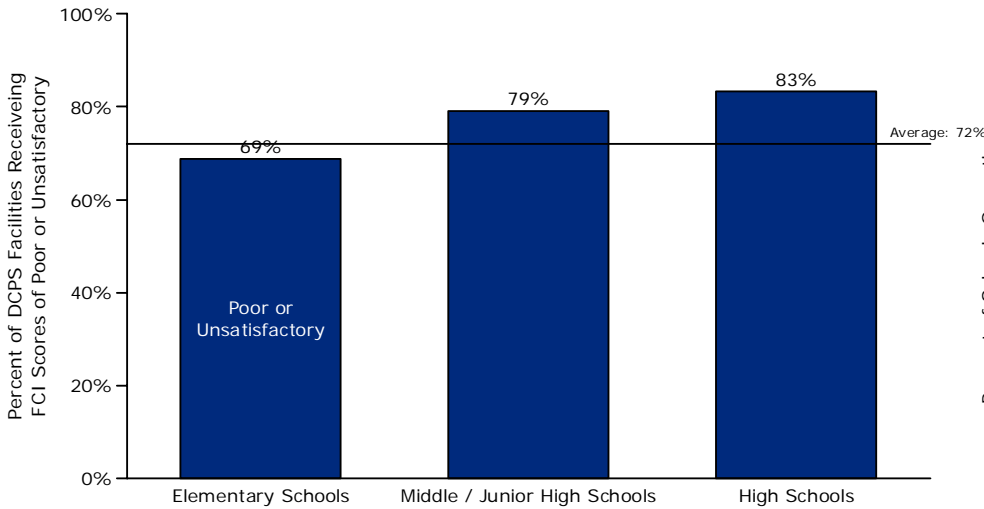
Note: Budget from all revenue sources, including federal grants; no adjustment were made for regional cost differences. DCPS per-pupil amount is based on a budget for 2004-2005 of \$943,348,705 minus \$44,850,418 in state-related expenses not incurred by other urban school districts. Central office budget includes spending related to the Board of Education, executive administration including legal, communications, policy and educational accountability, fiscal services, and business services (human resources, IT, logistics, procurement).
 Source: Council of Great City Schools *Financing Excellence in the District of Columbia Public Schools* (2005)

What Is the Need for Reform?

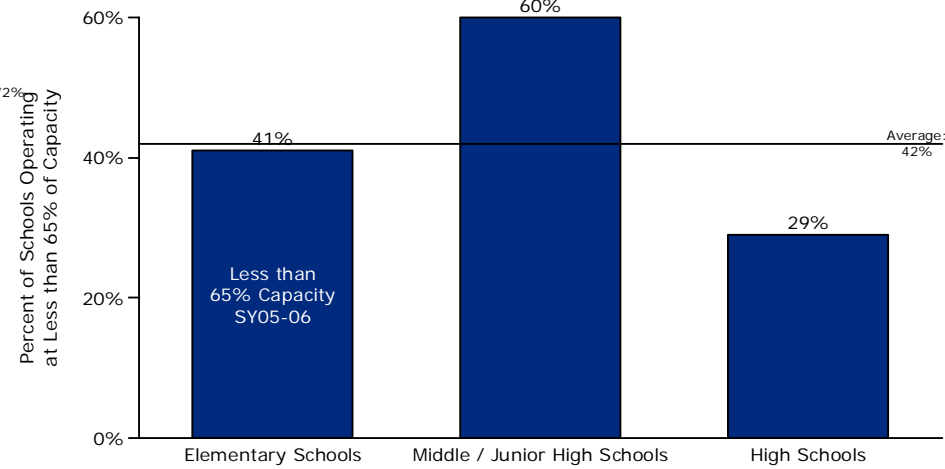
Plus, Poor Facilities Conditions and Severe Underutilization Are Widespread . . .

- 72% of schools received poor or unsatisfactory facilities ratings in 2006
- 42% of schools operate at less than 65% capacity, indicating an important opportunity for co-location and/or broader facilities use considerations

Proportion of Schools Receiving Poor or Unsatisfactory Facilities Conditions Index (FCI) Scores (Sept. 2006)



Schools With Less than 65% Capacity (SY05-SY06)



# of Schools Included in MFP	Elementary Schools	Middle / Junior High Schools	High Schools
	109	20	17

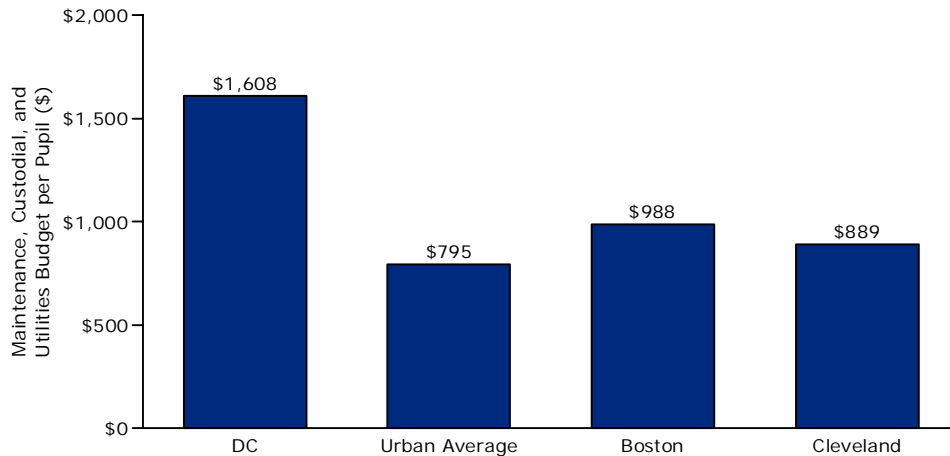
Note: Facilities Condition Index (FCI) scores of greater than 0.51 or above are considered poor or unsatisfactory; Includes all facilities profiled in the DCPS Master Facilities Plan (September, 2006) with both capacity and SY2005-2006 enrollment data

What Is the Need for Reform?

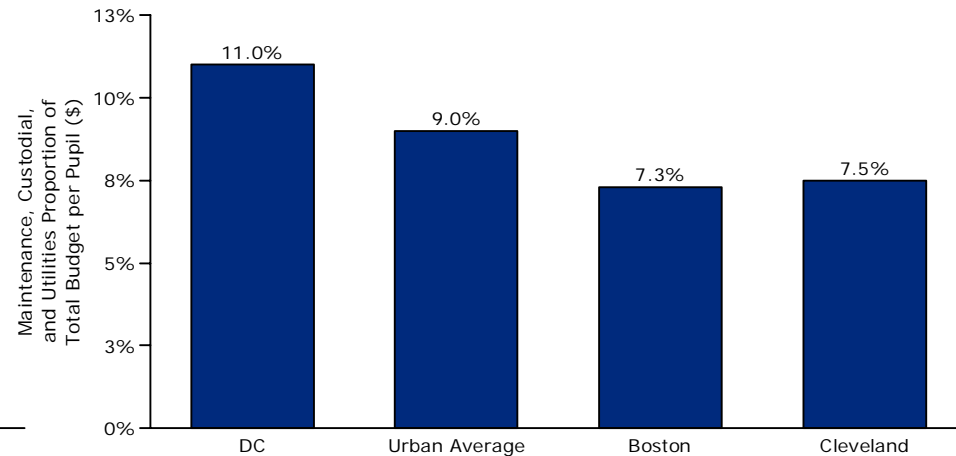
... Contributing to Higher Per-Pupil Facilities Costs

- DCPS facility age, condition and under-utilization result in higher facilities expenditures relative to other urban districts

Per Pupil Maintenance, Custodial, and Utilities Budget (2004-2005)



Proportion of Maintenance, Custodial and Utilities of Total Budget (2004-2005)



Total per Pupil Budget (\$)	\$14.6K	\$8.8K	\$13.5K	\$11.9K
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Total per Pupil Budget (\$)	\$14.6K	\$8.8K	\$13.5K	\$11.9K
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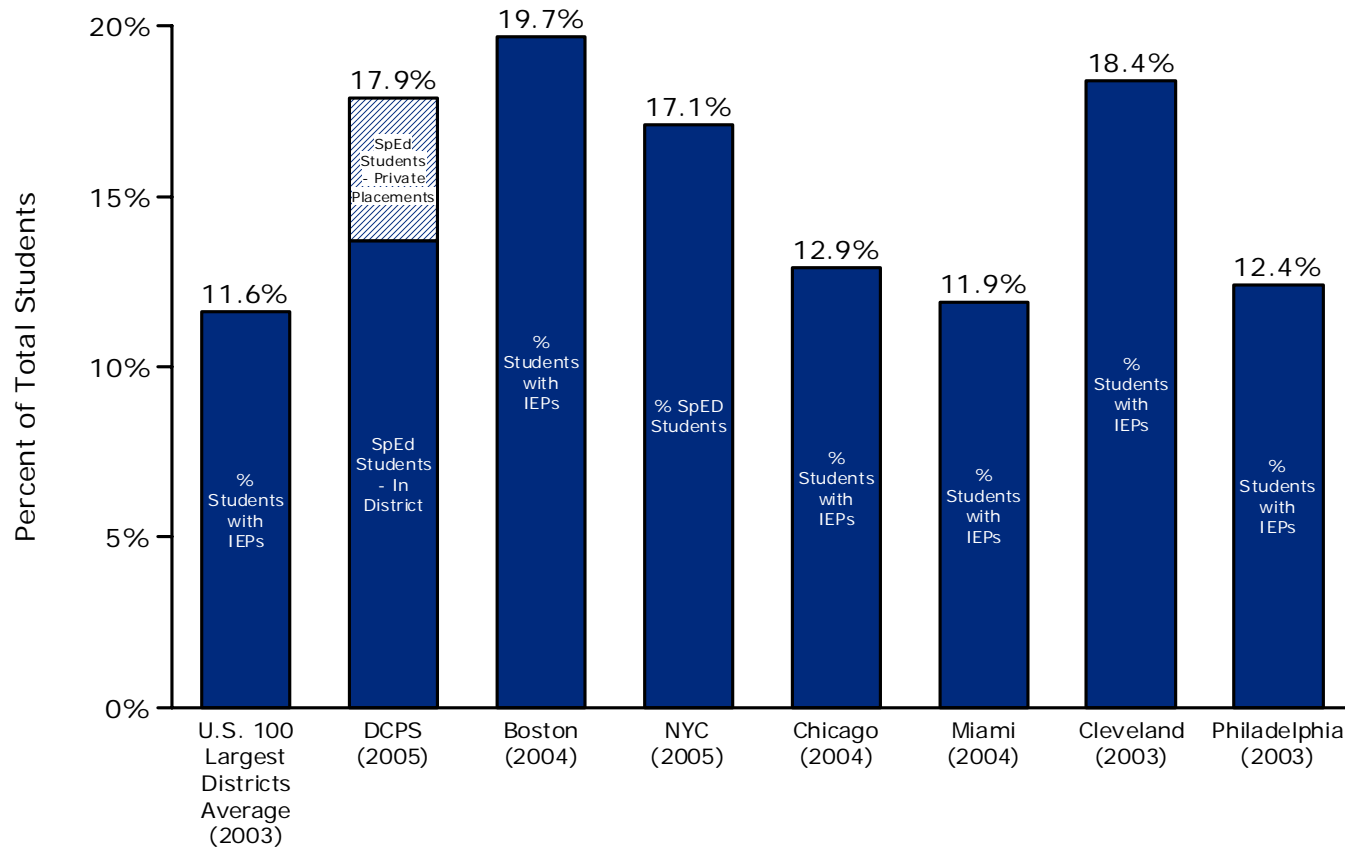
Note: Budget from all revenue sources, including federal grants; no adjustment were made for regional cost differences. DCPS per-pupil amount is based on a budget for 2004-2005 of \$943,348,705 minus \$44,850,418 in state-related expenses not incurred by other urban school districts. Chart includes budgets related to maintenance, custodial services, energy, utilities.

What Is the Need for Reform?

DCPS Also Has A High Proportion of Special Education Students...

- DCPS has a high proportion of Special Education students, consistent with other urban districts such as Boston, NYC and Cleveland

Proportion of Special Education Students in Relevant Districts



Notes: For districts other than DCPS and NYC, the proportion of students with IEPs was used as a proxy for proportion of special education students; NYC % special education students represents the total number of students receiving special education services divided by the total number of students

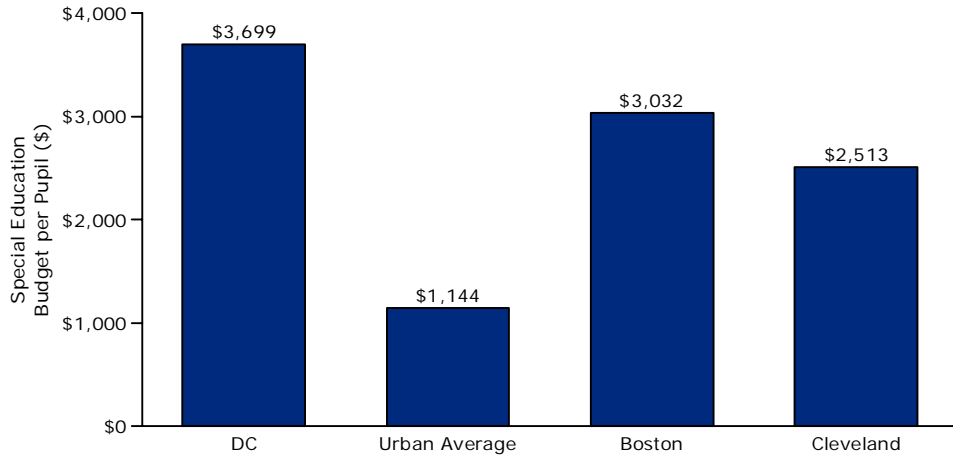
Source: D.C. SEO Audited Enrollment Reports; USDOE D.C. Opportunity Scholarship Second Year Report; NCES CCD; NYC DOE Regional Statistical Reports

What Is the Need for Reform?

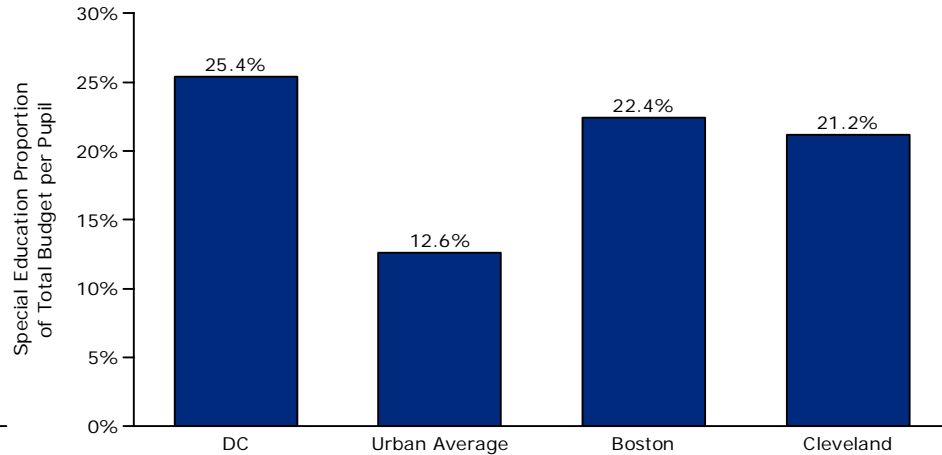
...That Contributes To Higher Spending Than in Other Districts

- DCPS spends a quarter of its budget on Special Education, more than other comparable districts

Per Pupil Special Education Budget (2004-2005)



Proportion of Special Education Budget (2004-2005)



Total per Pupil Budget (\$)	DC	Urban Average	Boston	Cleveland
	\$14.6K	\$8.8K	\$13.5K	\$11.9K

Total per Pupil Budget (\$)	DC	Urban Average	Boston	Cleveland
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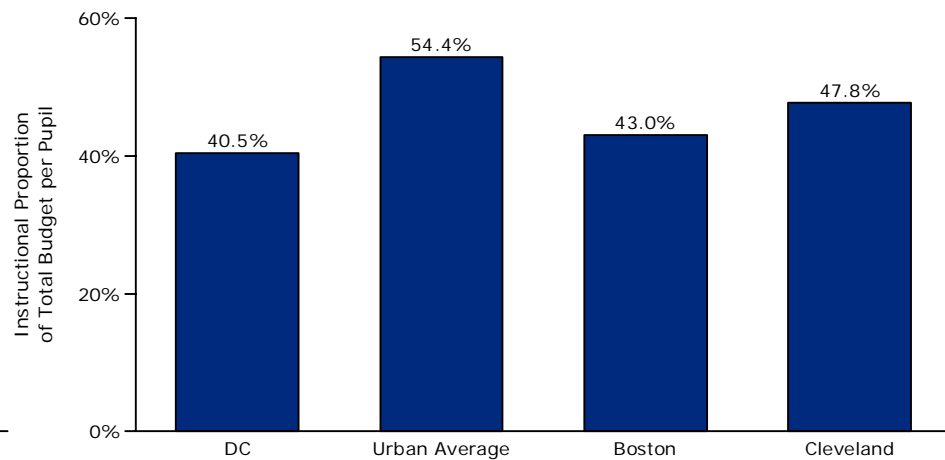
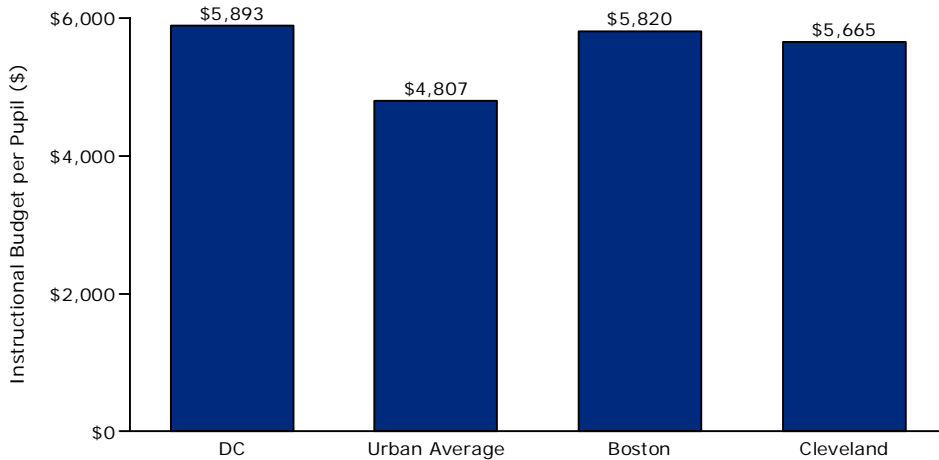
Note: Budget from all revenue sources, including federal grants; no adjustment were made for regional cost differences. DCPS per-pupil amount is based on a budget for 2004-2005 of \$943,348,705 minus \$44,850,418 in state-related expenses not incurred by other urban school districts. Special Education is a budget line-item in the Council of Great City Schools Report that includes special education tuition and attorney's fees as well as special education teachers, aides, related services and central offices; expenses per pupil were calculated by dividing total special education expenses by each district's total 2004-2005 enrollment.

What Is the Need for Reform?

Ultimately, DCPS Spends A Lower Percentage on Overall General Education Instruction Than Other Districts

Per Pupil Educational Instructional Budget , excl. Special Education (2004-2005)

Proportion of General Education Instructional Budget, excl. Special Education (2004-2005)



Total per Pupil Budget (\$)	DC	Urban Average	Boston	Cleveland
	\$14.6K	\$8.8K	\$13.5K	\$11.9K

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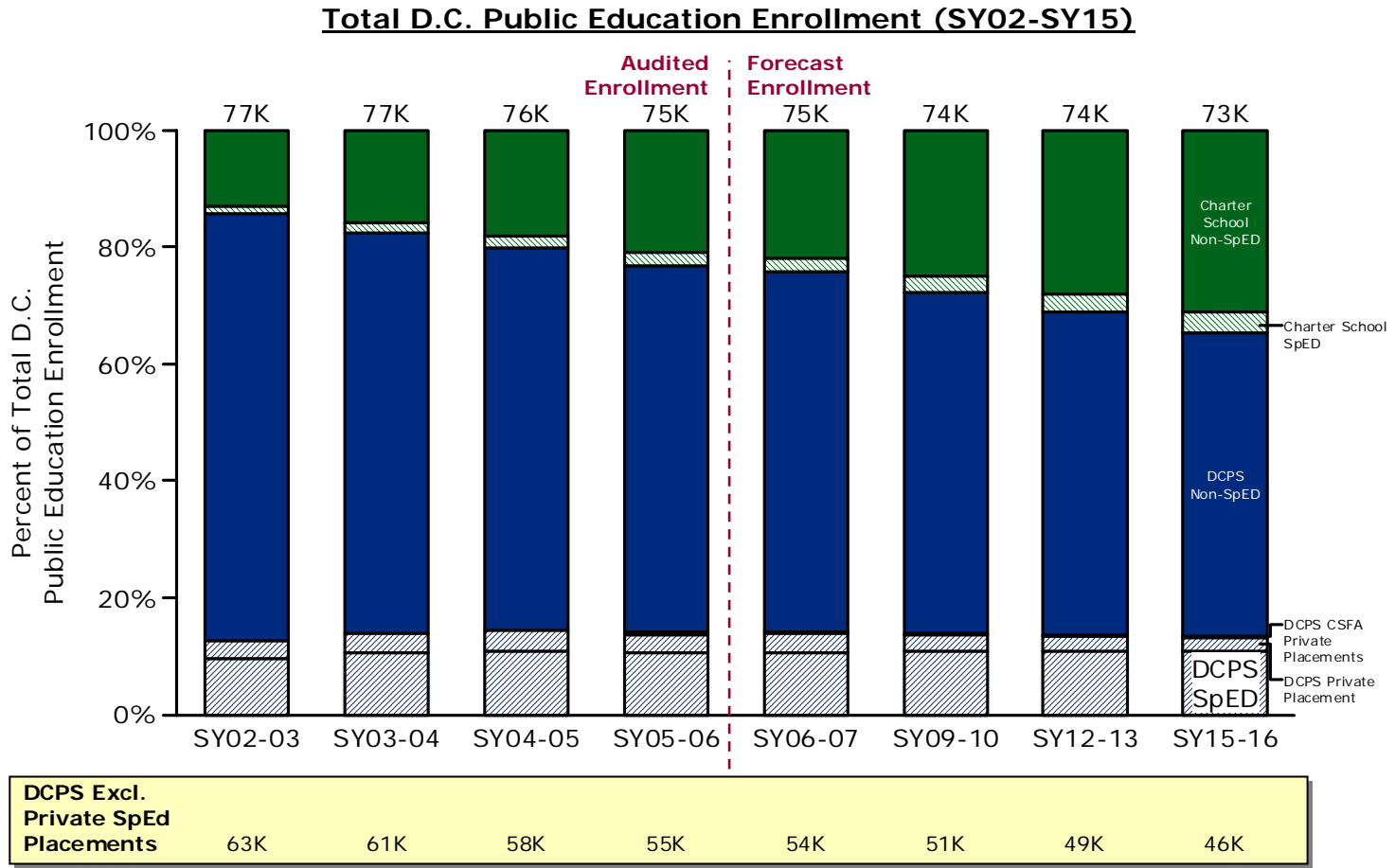


Given current enrollment trends and high costs associated with central office, Special Education and facilities, is this a sustainable picture?

Note: Budget from all revenue sources, including federal grants; no adjustment were made for regional cost differences. DCPS per-pupil amount is based on a budget for 2004-2005 of \$943,348,705 minus \$44,850,418 in state-related expenses not incurred by other urban school districts. Instructional Expenditures includes classroom instruction, books & materials, instructional technology, auxiliary instructional services (counselors, school library), curriculum & staff development and other instructional expenditures except for special education.

What Is the Need for Reform?

Current Projections That Suggest An Ongoing Shift Towards Charter Schools Have Significant Financial Implications

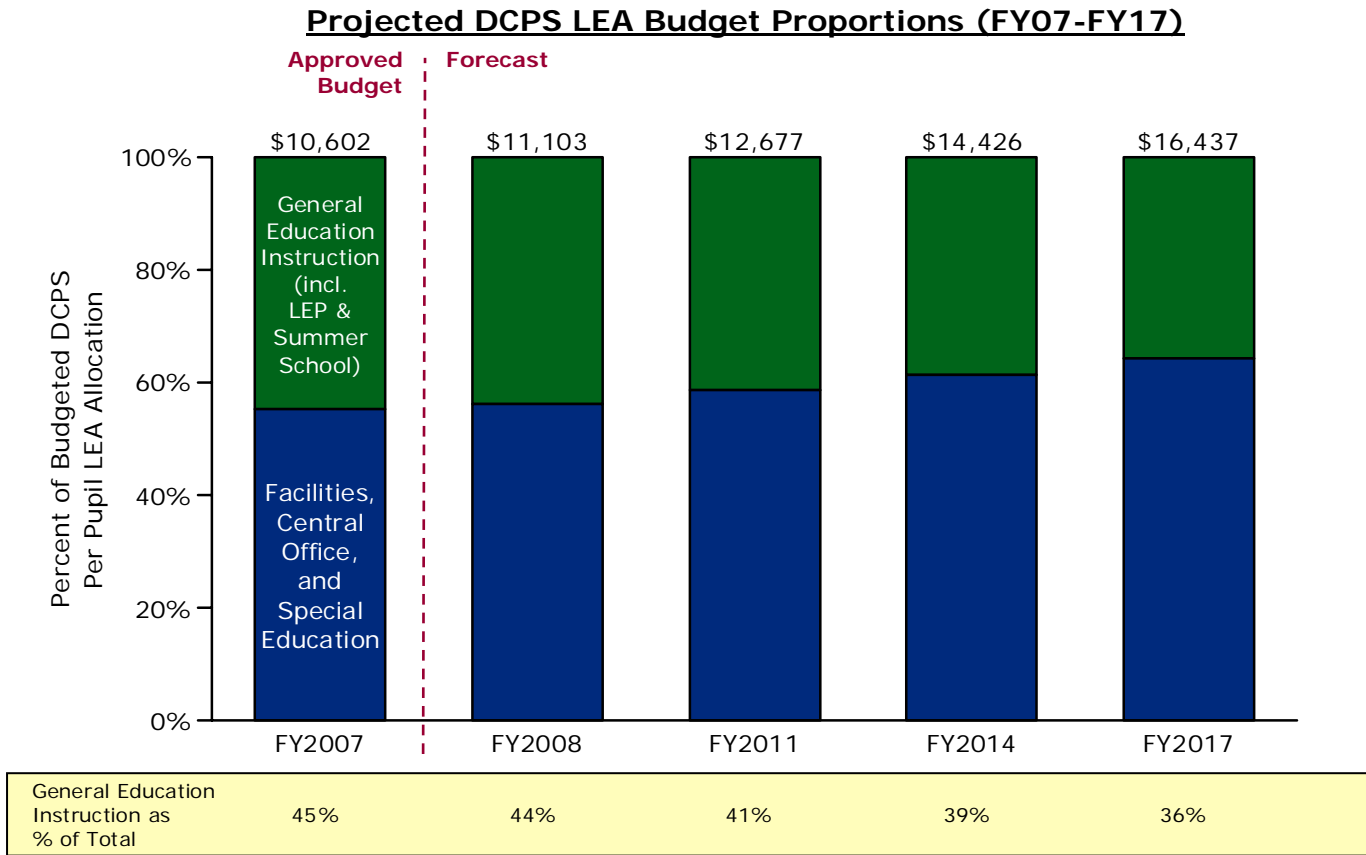


Key Assumptions: Total D.C. Public Education enrollment declines at -0.2% each year and charter school enrollment increases by 800 students each year, both at the expense of DCPS enrollment. Resulting annual decline in DCPS enrollment averages 946 students each year. Total D.C.-wide Special Education population is fixed at SY05-06 enrollment; charter school Special Education population is fixed at 9.8% of total charter school enrollment. Source: DCPS Proposed FY07 Operating Budget, May 2006; DCPS FY2007 Proposed Budget Board Presentation, February 2006; SEO Audited and Residency Verified Enrollment Reports; State of the District of Columbia Charter School Sector, 2006

What Is the Need for Reform?

Absent Immediate Reform, A Continued Enrollment Decline May Require Dramatic Restructuring of DCPS

- Current enrollment projections imply that the proportion of total per-pupil local budget spend on general education could drop as low as 36% by FY2017, absent any specific interventions or significant changes in enrollment trends



Note: Special Education General Education and add-on LEA allocation do not include state function costs such as nonpublic tuition and special education transportation. Facilities includes budgeted amount for facilities / infrastructure, custodial, and utilities expenses. Central office includes budgeted amount for central administration, central operations, and central instructional support. Projected LEA budget is tied to enrollment forecast key assumptions.

Source: DCPS Proposed FY07 Operating Budget, May 2006; DCPS FY2007 Proposed Budget Board Presentation, February 2006; SEO Audited and Residency Verified Enrollment Reports; State of the District of Columbia Charter School Sector, 2006

What Is the Need for Reform?

In Order to Increase Student Achievement, DCPS Must Pursue An Urgent Turnaround Effort Focused on Six Core Pain Points

Leading Pain Points

Supporting Quotes

Lack of Clear Accountability

- "There are too many chiefs who are never aligned and never in agreement"
- "How does the system hold itself accountable . . . it's hard to put one hat on and then the other"

Lack of Systemic Emphasis on Basic Teaching and Learning, including Inadequate Workforce

- "Quality of teaching is the leading pain point, if teaching is occurring at all"
- "Currently, adult job-saving is prioritized over student achievement"

Operational, Management and Implementation Inefficiencies

- "DCPS is full of mid-level political/ Superintendent appointees who are just not capable"
- "Whenever new plans are announced, there is never any structure, implementation process, criteria, or timeline"
- "The current governance structure is a 'Ben-Hur Cast of Thousands'"

Inability to Serve and Support Special Education Students

- "Special Education is the open, sucking chest wound in this district"
- "Lawyers [get] suburban families to move into DC, where their [special needs] kids fail to be assessed in time, and are then 'shipped outside' of the district with DCPS money"

Widespread Facilities Disrepair and School Safety Concerns

- "No working water fountains and no toilet paper are the most tangible things parents can see"
- "DCPS is hemorrhaging money from facilities"

Insufficient Community Engagement and DCPS Responsiveness

- "DCPS does not answer the phone, their voicemail is always full, and they never return phone calls"
- "Citizens will come directly to the School Board with complaints because they know that no one at DCPS will respond or take action"

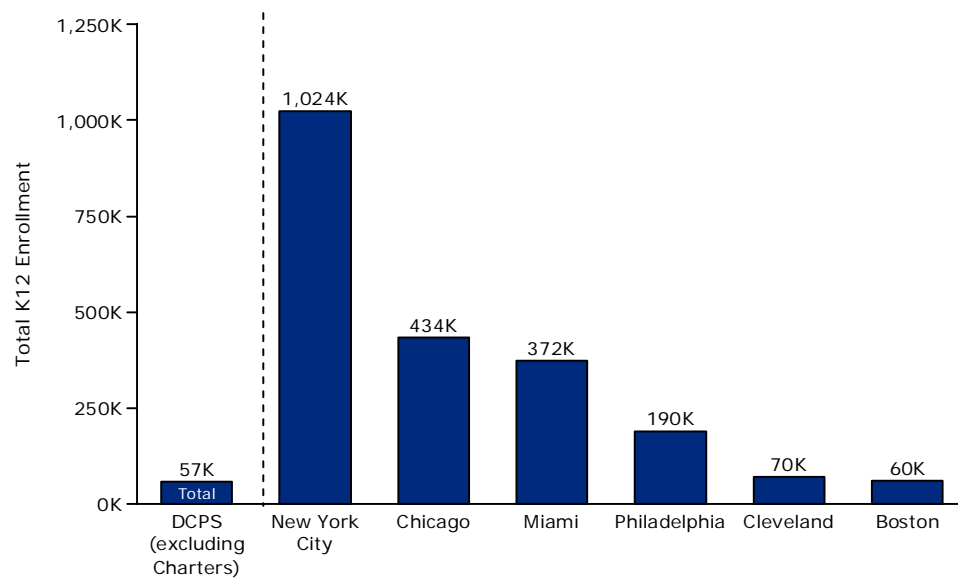


Immediate and urgent action-oriented attention to leading pain points are required to make critical improvements to student achievement

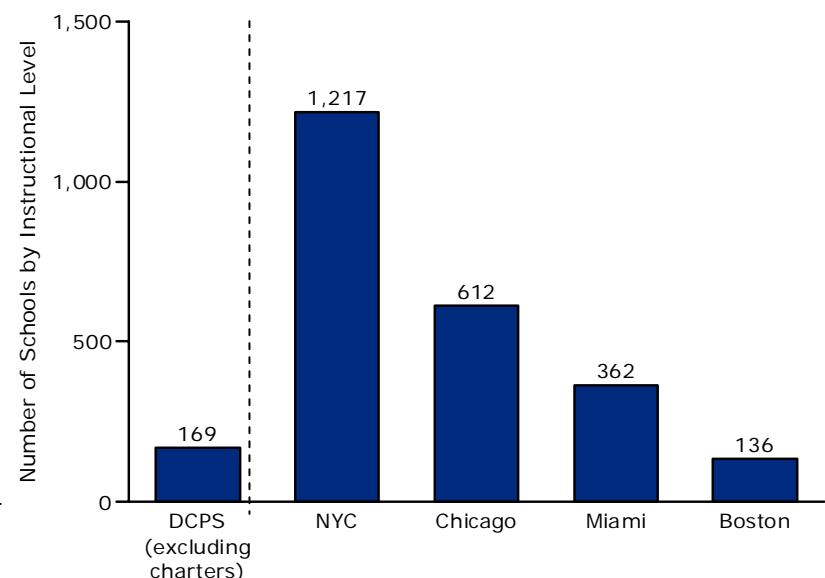
What Is the Need for Reform?

The Relative Scale of DCPS Makes Reform a Manageable and Addressable Challenge

District K-12 Student Enrollment (2003-2004)



Breakdown of Schools by Instructional Level (2003-2004)



District	Number of FTE Teachers
DCPS	4,898
NYC	70,171
Chicago	22,951
Miami	18,887
Boston	3,926

Note: DCPS student population denotes 2005-06 audited enrollment data; all other district enrollment data from SY03-04 as reported by NCES. Number of schools and teachers from SY03-04 as reported by NCES. 'Primary' low grade is PK to 3, high grade up to 8; 'Middle' low grade is 4 to 7, high grade up to 9; 'High' low grade is 7 to 12, high grade up to 12; 'Other' includes any other combination, including K-8, 6-12, etc.
 Source: *Characteristics of the 100 Largest Public Elementary and Secondary School Districts in the United States: 2003-2004*, NCES, September 2006;
 DCPS FY2007 Proposed Budget Board Presentation, February 2006; SEO Audited and Residency Verified Enrollment Reports
 Fact Base for DCPS Reform (Updated): Page 26

Fact-Base for DCPS Reform

Agenda

- What Is The Need For Reform?

- **What Key Levers Should Be Used?**

- What Is The Role of Governance?

What Key Levers Should Be Used?

DCPS Has Made Incremental Progress on Specific Reform Efforts

- **The shift from SAT-9 to DC CAS (2005-06) marked a distinct effort to improve DCPS alignment with specific district accountability standards and NCLB requirements, including:**
 - Development and adoption of more rigorous Math and ELA performance standards
 - In 2006, the Hoover Institute awarded DCPS an “A” for the rigor of its performance standards
- **Successful implementation of the PASS procurement system in 2006 has helped improve operational efficiencies related to the procurement of services and goods**
- **Help from non-profit / external collaborations has helped DCPS achieve specific personnel process improvements, specifically:**
 - Increased the number of certified teachers from 45% to 80% in one year
 - Accelerated hiring timetable for teachers and principals resulted in more than 80% of teacher and principal vacancies being filled by August 1, 2006 (an average improvement of 65% over 2004)
 - Streamlined teacher hiring from paper- to technology-based process
 - Ongoing development of a Principal and Teacher recruitment corps, with focus on ongoing professional development



Recent actions underscore some progress, but broader success requires system alignment and coordination to promote action, ensure accountability, and accelerate reform

What Key Levers Should Be Used?

Specific Reform Activities by Other Districts Underscore Opportunities for DCPS to Accelerate Change Across Pain Points

Teaching & Learning:
"Relentless Focus on Instruction"

Human Capital: "Recruit and Retain The Best Teachers and Leaders"

Operations: "Invest in Systems, Capacity, and Facilities"

Partnerships / Relationships: "Engage Families and Partners"

Encompasses Reforms In:

- Curriculum
- Classroom / School Day Length
- Summer School
- Social Promotion
- Attendance Policies
- Standards/Assessments of Teacher and Student Performance
- Recruitment and retention of teachers and principals
- Professional development
- Incentive pay / reward
- Teacher's union contract
- Teacher certification and licensure
- Facilities
- Central office administration (payroll, staffing, etc.)
- Fiscal/Budget Services
- Data Systems/IT
- School Autonomy
- Leadership organization
- Community buy-in
- Private sector partnerships
- Interagency relationships
- Charter Schools

Examples:

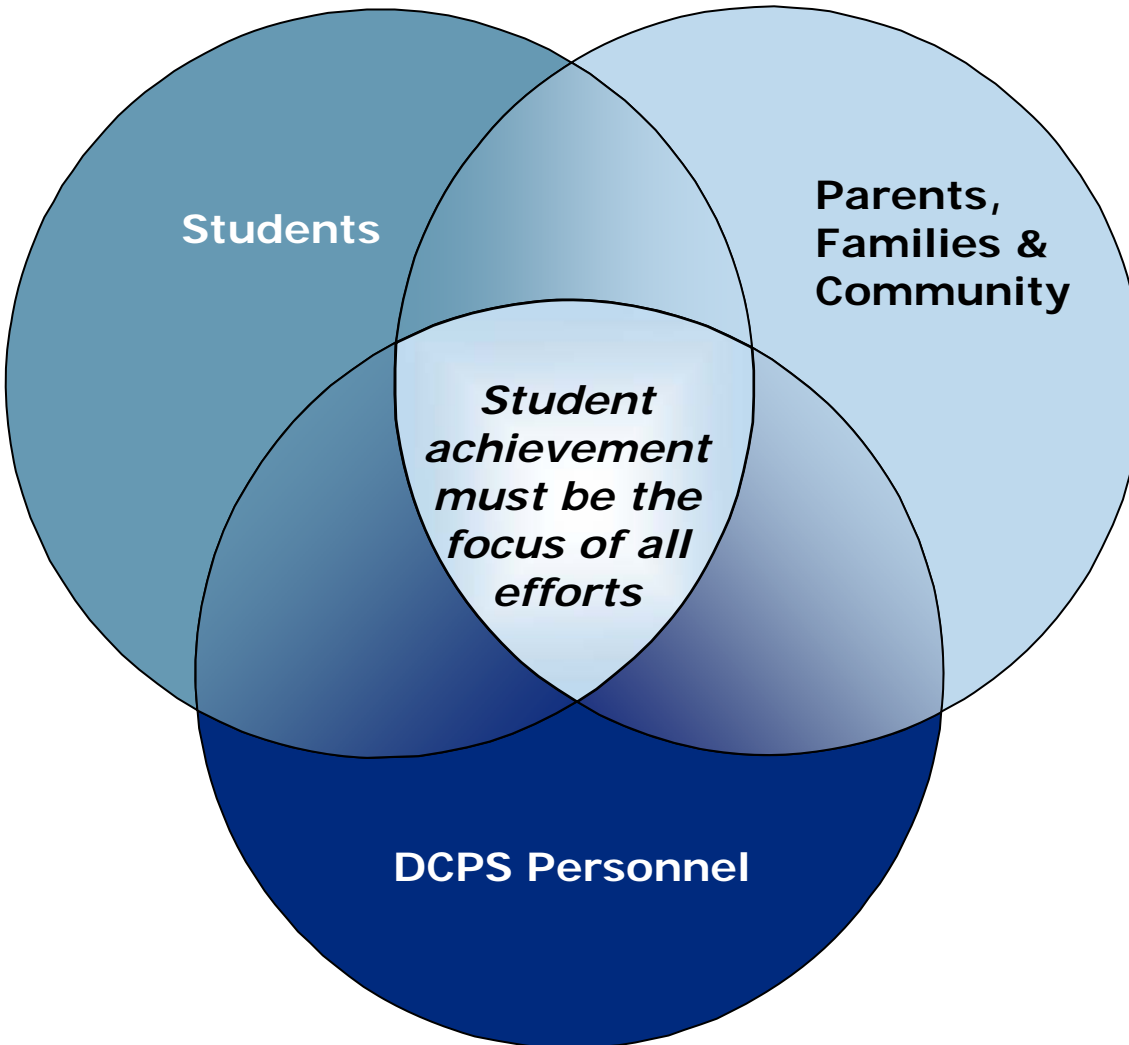
- Extended school day (Boston)
- Launched reading Initiative (Chicago)
- Standardized curriculum across district (NYC)
- Created 3rd grade reading program (Miami)
- Secured new teacher union contract (Boston)
- Increased dedicated resources to professional development (Chicago)
- Raised teacher salaries through elimination of non-core positions (Miami)
- Implemented HR electronic hiring process (Boston)
- Outsourced facilities and maintenance services (Chicago)
- Created the Autonomy Zone (NYC)
- Drafted first 5-year Facilities Capital Campaign (Miami)
- Approved creation of Horace Mann charter schools and Boston Pilot Schools (Boston)
- Coordinated more closely with city agencies (parks, police) (Chicago)
- Created of Leadership Academy for principals and teachers (NYC)
- Opened communication channels with community through superintendent town hall meetings (Miami)



Ultimately, all reform efforts must drive towards student achievement

What Key Levers Should Be Used?

A Unilateral Emphasis on Student Achievement Requires DCPS to Pursue a Customer Focused Strategy



Leading categories of reform activities focus directly on one or more “customer” groups



- **Parents, Families and Community** are directly influenced by activities that “engage families and partners”
- **DCPS Personnel** will benefit from operational and human capital reform efforts that...
 - ...“Invest in systems, capacity and facilities” and...
 - ...“Recruit and retain the best teachers and leaders”
- Ultimately, **Students** are best served by reform efforts that pursue a...
 - “Relentless focus on instruction”
- However, **student achievement is also affected by all other leading reform activities** – the ability to attract and retain high quality talent, to improve operational efficiencies, and to proactively respond to and engage parental and community constituents are all required to effectuate systemic increases student achievement

What Key Levers Should Be Used?

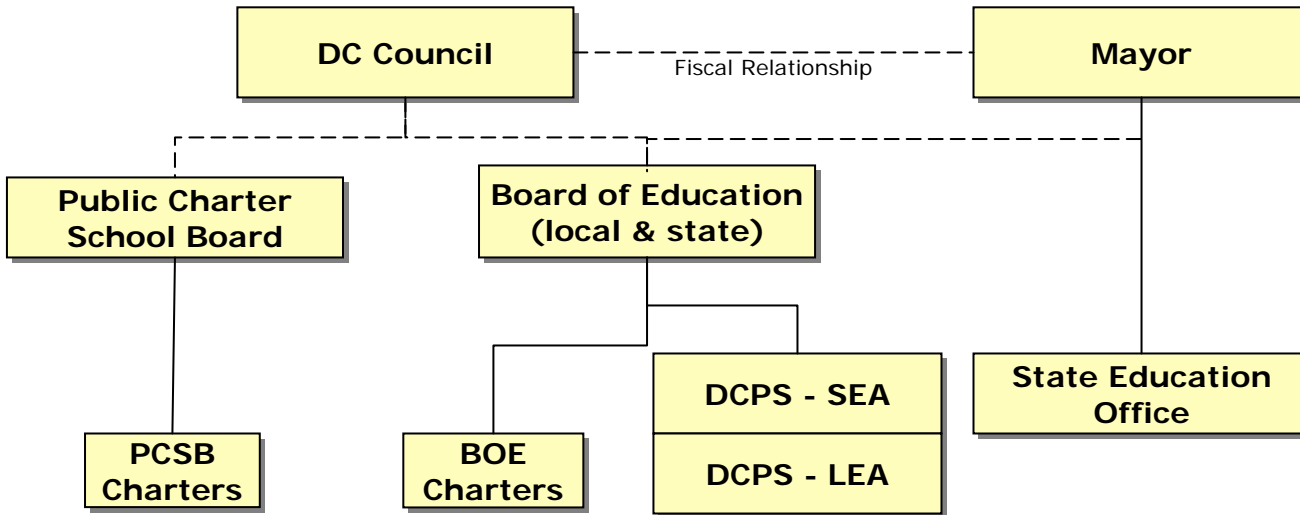
Core Levers for Education Reform (P-20): Summary

- Low investment range
- Medium investment range
- High investment range

Key Reform Levers	"Quick Wins" (0-6 Months)	Foundation for Change (6 -24 Months)	Sustained Reform (24+ Months)
<p>Create Relentless Focus on Instruction so <u>All</u> Students Succeed</p>	<ul style="list-style-type: none"> • Intervene at lowest-performing schools (including charters) • Initiate comprehensive review of charter school performance and capacity • Ongoing investment in math/literacy coaches 	<ul style="list-style-type: none"> • Reinforce citywide standards • Explore options for universal pre-K and early education • Increase number of seats in recuperative school models • Invest in gifted and talented programs 	<ul style="list-style-type: none"> • Optimize school structures / portfolio design (small schools, charters, new models, etc.) • Pursue broad subject area curricular reform • Increase weekly instruction time (Teacher Union Contract)
<p>Recruit the Best Teachers and Leaders to Serve <u>All</u> Students in <u>All</u> Schools</p>	<ul style="list-style-type: none"> • Increase investment in TFA and NTP for recruitment and retention of quality principals and teachers 	<ul style="list-style-type: none"> • Create city incentives to attract retain workforce (housing subsidies, parental supports) • Expand existing and create new Principal and Teacher "residencies" 	<ul style="list-style-type: none"> • Explore incentive pay for content expertise and performance
<p>Invest in Systems, Capacity, and Facilities to Ensure Equity of Options for <u>All</u> Students</p>	<ul style="list-style-type: none"> • Invest in facilities facelift (painting, planting, window repairs) • Create/centralize Facilities Mgmt. / Construction Authority • Initiate immediate review of SPED programs and spending (trans, tuition) • Initiate comprehensive review of central office and streamline, as relevant (reallocate savings to schools) • Build capacity to transfer state education functions to "true" SEA 	<ul style="list-style-type: none"> • Provide school-based supports for business services • Support central office professional development • Outline SPED reforms and strategy • Continue transfer of state education functions to SEA • Follow through on post-secondary strategies recommended by "Double the Numbers" study 	<ul style="list-style-type: none"> • Conduct ongoing evaluation of explicit strategic goals vs. plan • Continue long-term facilities modernization • Upgrade DCPS IT system and link to other city agencies to create seamless P-20 system
<p>Engage Families and Community to Strengthen our <u>School</u> Communities</p>	<ul style="list-style-type: none"> • Establish community feedback mechanism (i.e. "311") • Create liaisons from Mayor's Office to parks & rec (grounds, access hours), police (in-school safety and attendance outreach), youth and family services, health, etc. • Ongoing co-location of community centers and health clinics in DCPS facilities • Increase focus on building private sector support (corp., higher ed, etc.) 	<ul style="list-style-type: none"> • Coordinate with local universities for scholarships for qualified students • Determine appropriate strategy, role and resources for UDC • Create "Parent Academy" for adult literacy, business skills, etc. • Follow through on post-secondary strategies recommended by "Double the Numbers" study 	<ul style="list-style-type: none"> • Continue investment in schools as community centers (i.e. health centers, parent academies, etc.)

What Key Levers Should Be Used?

A Primary Obstacle to Enacting Reform in DC Is a Complex Governance Structure that Lacks Accountability



Advantages of Current Structure

- Least disruptive

Disadvantages of Current Structure

- Little direct accountability
- Conflict of interest in DCPS regulating itself as both LEA and SEA
- No clear entity to administer NCLB sanctions and restructuring process
- Convoluted budgeting process
- Divided state-level responsibility between two offices
- Poor facilities coordination between DCPS and public charters

Current Roles

Mayor

Controls State Education Office; Very limited direct education role

DCPS

Teaching and Learning responsibility; Budgetary decisions; Control of school facilities

State Education Agency

Administration of federal grant money; State standards and achievement goals; Graduation requirements; Licensing procedures and standards; Attendance rules; Reporting requirements and data collection

State Education Office

Administering federal child nutrition programs; Verifying fall enrollment counts for all schools; Develop residency verification rules; Administering state scholarship grants; Office of Public Charter School Financing and Support

Charter Schools

Budgeting, administration, personnel, and instructional methods within their LEAs

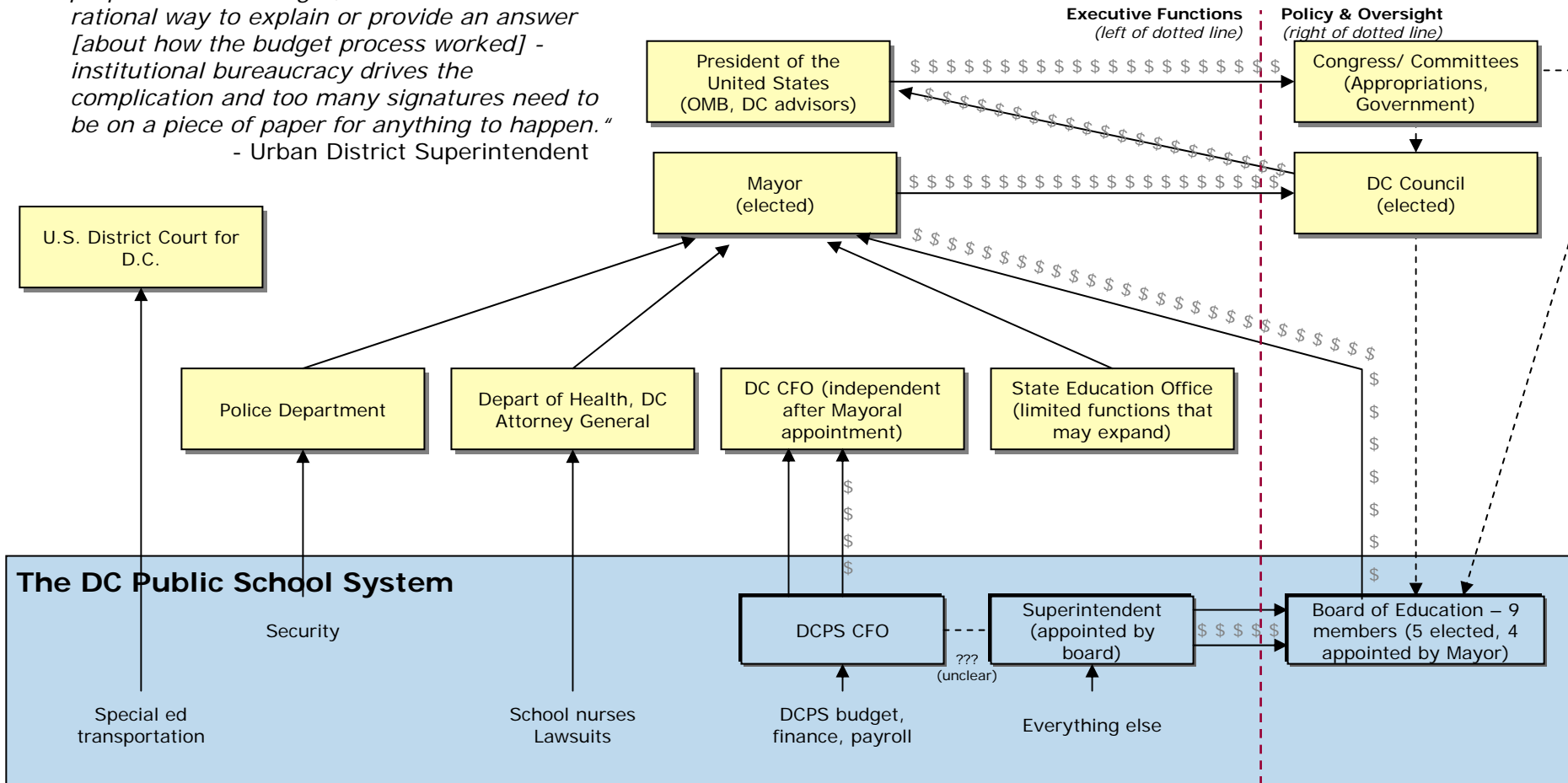
What Key Levers Should Be Used?

DC is Also Hampered by An Extremely Complicated and Burdensome Budget Approval Process

- Previous Superintendents and DCPS constituents find the budget process extremely difficult to describe and navigate:

"When I asked to whom I would report for purposes of the budget, there was no real rational way to explain or provide an answer [about how the budget process worked] - institutional bureaucracy drives the complication and too many signatures need to be on a piece of paper for anything to happen."
 - Urban District Superintendent

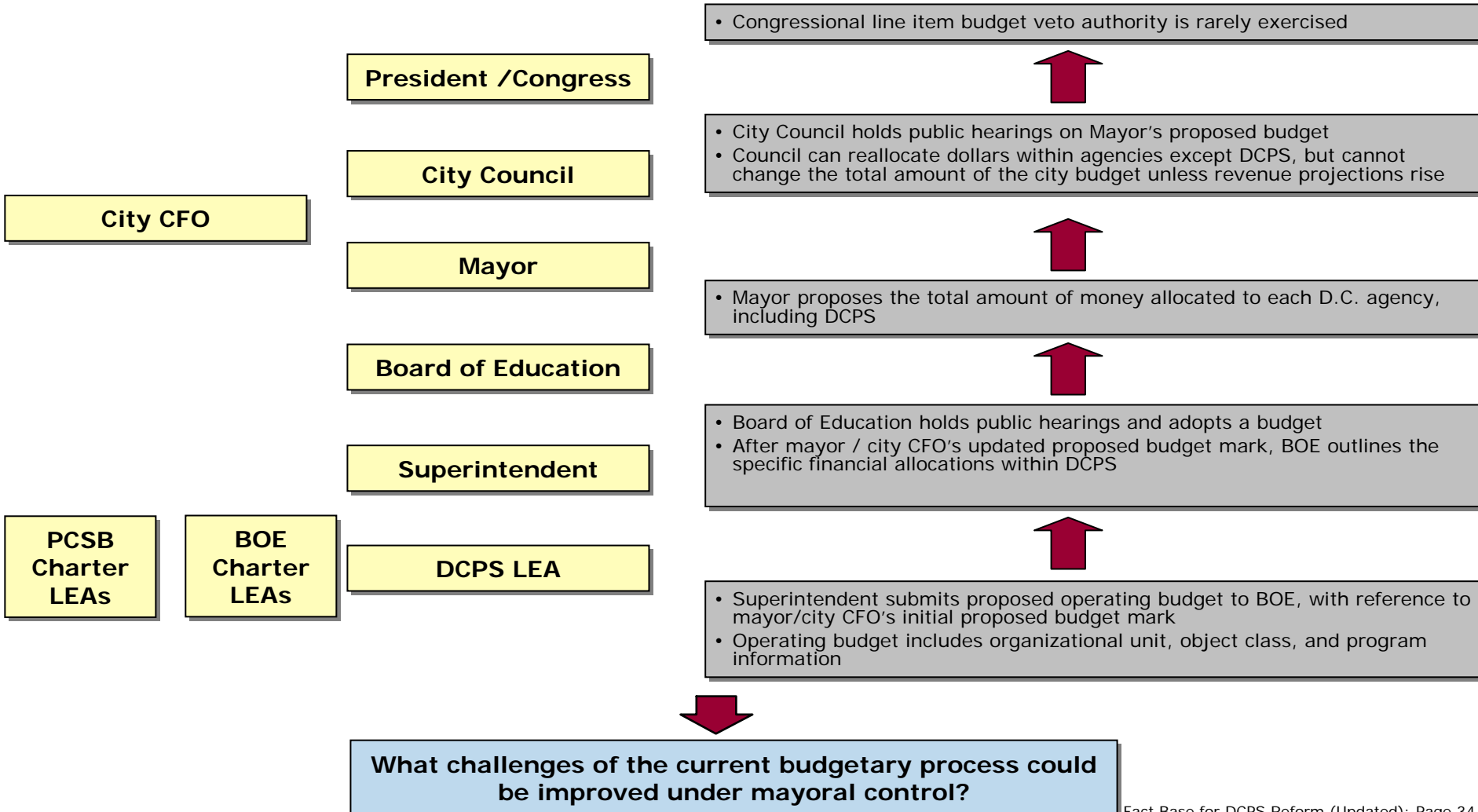
Lines of Authority
 ← Reports to
 \$\$\$ Budget approval
 ← --- Disapproval



What Key Levers Should Be Used?

Multiple Entities Have Input, Influence and/or Approval Roles in DCPS' Budgeting Process

- At least six separate entities have influence and/or approval status in DCPS' budgeting process across DCPS, city agencies, and congressional interests



What Key Levers Should Be Used?

Changes to Governance Structures Could Improve Existing Challenges of the School Budgetary Process

Specific Challenge

Current Impediments

Potential Improvements Under Mayoral Control

- **Indiscreet Budget Timeline**

"[Under DCPS' current budgetary process,] by the time I get \$100K of new textbooks to respond to an emerging student population, the semester is conceivably half gone, notwithstanding [potential delays from] those who could kick [my financial request] back through the [appeals] process."

- Urban District Superintendent

- **Redundant and Multi-Layered Processes**

"Getting Congress to approve 10% of our budget in July before [broader] budget in October was one quick-win example that would not have likely happened with a Board in place... to get anything passed requires coalition-building"

- Prior DCPS Superintendent

"[My budget] would be influenced by whatever right of refusal anyone else had – I would get my budget approved by [the BOE], who hands it to the Mayor, who hands it to the City Council..."

- Urban District Superintendent

- **Fundamental Disincentive**

"I will not take a job where I need to speak to three to four people just to get traction [for a funding need], never mind approval. There is just no time for this."

- Urban District Superintendent

- Lack of definitive budget timeline hampers critical planning needs
- No ability to align school fiscal year needs with federal budget calendar for approval
- Limits ability to provide for discretionary funding flexibility for unforeseen needs

- Diffuse authority impedes alignment of city budget considerations with education goals
- Lack of accountability has led Congress to designate DCPS as a "high-risk" candidate for federal grants
- Redundant levels of authority make budgeting more politically contentious and time consuming

- Lack of budgetary control, together with bureaucratic and political approval process is a clear disincentive for the recruitment and retention of senior district leadership

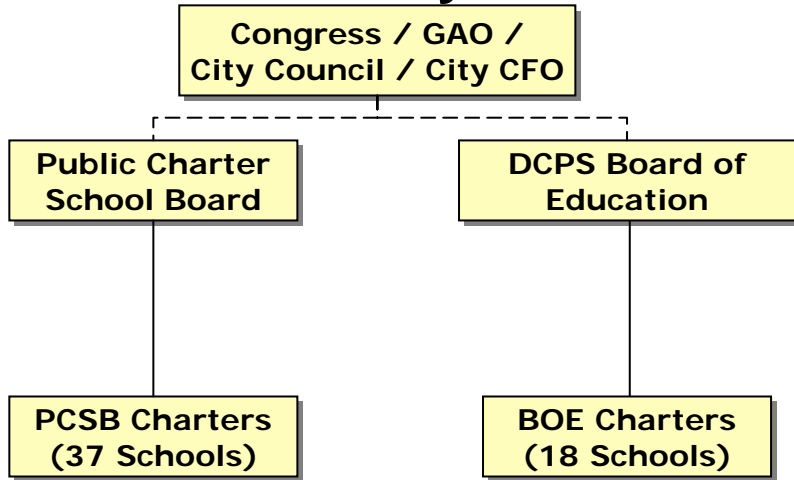
- Ability to clearly define alternative options for additional funding flexibility
- Enhanced planning capabilities
- Greater accountability for timeliness of budget delivery / approval

- Direct budgetary control places clear accountability for school funding with the Mayor and Council
- Fewer process steps for reprogramming approval when DCPS CFO reports directly to the Superintendent, who would report directly to the Mayor
- Mayoral control must also ensure that external groups are not allowed line-item DCPS budget authority

- Simplified reporting channels and decision-making authority would provide Superintendents with the flexibility and accountability necessary for accelerated change

What Key Levers Should Be Used?

And A Clear Opportunity Exists to Pursue Greater Collaboration and a Unified System with Charter Schools



Key Charter Issues:

- **DCPS BOE** has declined to accept applications for new charter schools three times over its ten years as a chartering authority and **has recently voted to relinquish its chartering authority**
- **Charters have had little success gaining access to excess DCPS facilities** space under BOE control, currently estimated at ~5 million square feet
- **There is an inherent conflict of interest in the current oversight of federal funds for charters**
 - DCPS, in its state education agency role, is responsible for distributing and monitoring federal entitlement monies to itself (DCPS) and to the 55 charter school LEAs

Accountability and Oversight

- The primary accountability agents for D.C. Charter schools are its two charter authorizers: the D.C. Board of Education (BOE) and the D.C. Public Charter School Board
 - Charter school authorizers approve, oversee, and are charged with making decisions about charter renewal and in some circumstances, revocation
- The authorizer monitors each school's academic progress, operational and financial management, and legal compliance annually, and conducts a cumulative review of each school's progress at five year intervals
 - 12 charter schools have been closed in D.C as of July 2006, 8 by the BOE and 4 by the PCSB

Governance

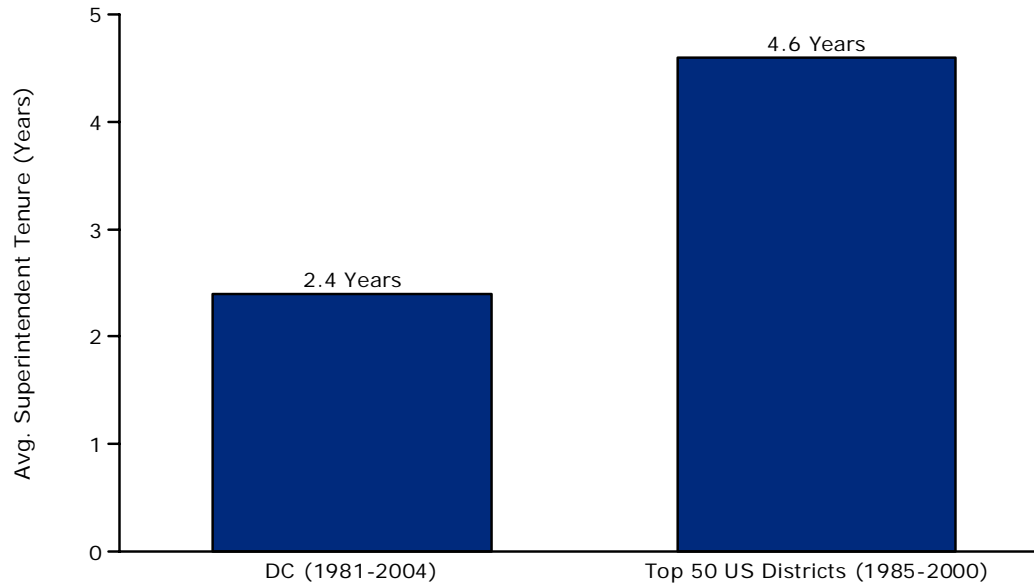
- PCSB and BOE Charter schools are not a part of D.C. government or DCPS and are exempt from D.C. statutes, policies, rules and regulations established for DCPS
- Each Charter has a Board of Trustees that governs the school in accordance with the Charter, which is granted for 15 years, with at least one performance review every five years
 - Board of Trustees have exclusive control over expenditures, administration, personnel, and instructional methods

What Key Levers Should Be Used?

DCPS' Burdensome and Disjointed Systems and Processes Are Viewed as a Key Factor Behind High Superintendent Turnover

- DCPS Superintendent turnover is almost 2x higher than average Superintendent tenure of the Top 50 largest US cities
- Many key constituents cite DCPS' complicated and limiting governance structures as leading reasons for Superintendent candidates to turn down job offers and for sitting Superintendents to leave the head position at DCPS

Average Superintendent Tenure



Key Quotes

- *"Under the Control Board there was a period when the Superintendent had a few months without any [School] Board – and the rate of change happened so much quicker than with a [School] Board"*
- Former DCPS Superintendent
- *"The amount of time spent [as Superintendent] kowtowing to the [School] Board, the Mayor, and the [City] Council is a waste of time"*
- Former DCPS Superintendent
- *"DCPS would get a better superintendent if they would change the [governance] structure so as to not hamstringing a talented Superintendent"*
- Fmr. DC Control Board Member

Complex governance, lack of accountability, and severely limited budget control all contribute to a lack of sustained DCPS leadership

What Key Levers Should Be Used?

District Governance Is the Cornerstone to Implementing Reforms

DCPS Is Hindered by Existing Structures and Complications...

- *"There are too many layers of governance – DCPS is over-regulated and under-focused"*
- Urban District Superintendent
- *"People do not tend to play their role – the Council acts as the school board, the mayor plays as the superintendent, and Congress then steps in as a both the superintendent and the school board"*
- DC Public Education Expert
- *"Within DCPS, there was no real way to explain [the budget]. Institutional bureaucracy drives the complication and too many signatures need to be on a piece of paper for anything to happen"*
- Urban District Superintendent
- *"Not having budget authority is a disincentive for capable Superintendents – this was a main reason why [a leading Superintendent candidate] decided not to come to DCPS"*
- DC Public Education Expert

...And Leadership Structures Must Be Able to Implement Change

- *"DCPS needs to create a governance structure that will ... retain a high quality Superintendent and give him/her the power and authority to turn the system around"*
- DC Public Education Advocate
- *"Driving to quick [reform] wins needed Mayoral control – a huge change in culture [and leadership] is required to implement new systems and strategies"*
- Senior Counselor to Urban District Superintendent
- *"If DCPS is going to go for mayoral control, it must lead with it now– this change can't wait two years"*
- Urban District CEO
- *"No one in DCPS is fully responsible for implementation of what allocated dollars are intended to accomplish"*
- Urban District Superintendent



- **Raising student achievement will depend upon DCPS' ability to create an environment of focused accountability across all organizational levels:**
 - **Eliminate the culture of inaction**
 - **Reform organizational structures that undermine decision-making powers**
 - **Enhance operational systems that are dysfunctional or obsolete**

Fact-Base for DCPS Reform

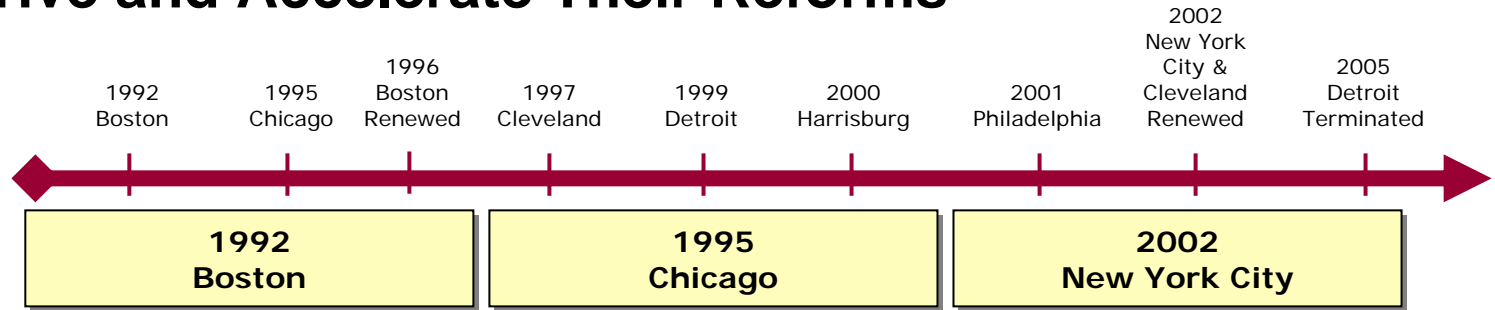
Agenda

- What Is The Need For Reform?
- What Key Levers Should Be Used?

- **What Is The Role of Governance?**

What Is the Role of Governance?

Leading Urban Districts Have Increasingly Turned to Mayoral Control to Drive and Accelerate Their Reforms



Prior Governance Structure

- 1992 Boston:**
 - 13-member elected board
- 1995 Chicago:**
 - 15-member elected board
 - Prior to 1988, mayor held limited power to appoint some board members
 - All mayoral influence removed in 1998
- 2002 New York City:**
 - 32 local school boards across the city, in addition to a city-wide Board of Education
 - Mayor appointed two Board members (Remaining board members appointed by presidents of the five boroughs)

Current Governance Structure

- 1992 Boston:**
 - Mayor appoints all seven school committee members, four-year terms
 - Mayoral control determined in 1992 by city council approval and state legislation
 - 70% voted in favor of mayoral control in citywide referendum in 1996 to renew mayoral control
 - 10-year tenure by Superintendent Payzant
- 1995 Chicago:**
 - State legislature deemed mayor to appoint all five board members, board president, and the CEO to head CPS
 - Legislature further reduced union bargaining power
- 2002 New York City:**
 - State legislation awarded mayor control of city schools
 - Mayor appoints seven members who serve on an advisory board, at the pleasure of the mayor

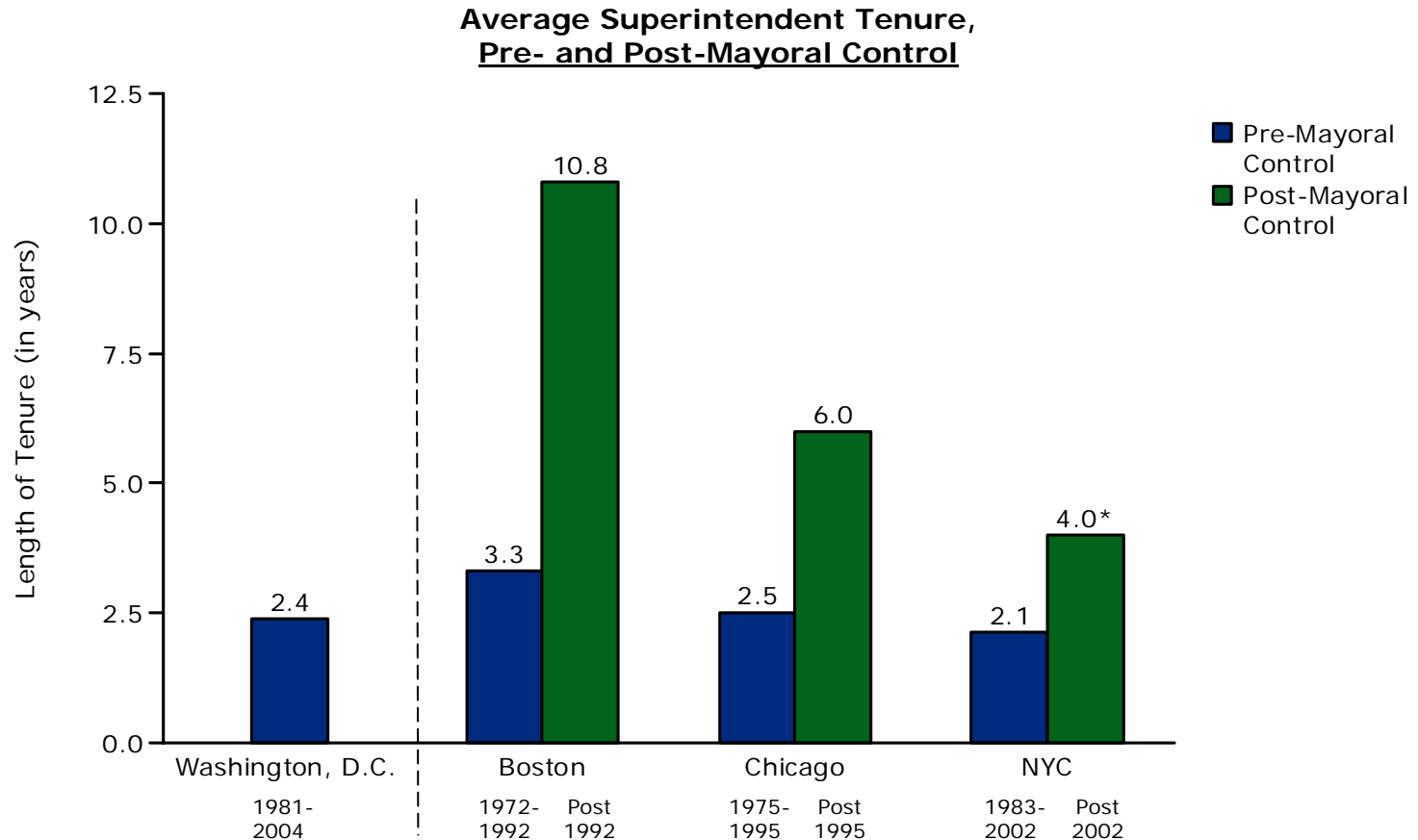
What Are The Results?

- 1992 Boston:**
 - Established citywide learning standards
 - Implemented electronic HR processes and shorten teacher hiring timeline
- 1995 Chicago:**
 - Launched Reading Initiative, adding two hours of literary instruction in elementary and high school
 - Implemented significant "capital improvement plan" for campus maintenance and renovation
- 2002 New York City:**
 - Standardized literacy and math curriculum for grades K-8
 - Created Empowerment Zone, providing increased resources for increased accountability

What Is the Role of Governance?

Mayoral Control Clearly Points to Considerably Longer Periods of Superintendent Tenure...

- Longer Superintendent tenure can contribute to more focused and sustained execution of reform initiatives



Note: Boston analysis excludes the tenure of Supt. Harrison-Jones, who was appointed under one governance structure and fired under another; *tenure of the first NYC Superintendent under mayoral control, Chancellor Joel Klein, has not yet ended; DCPS tenure calculated prior to current Superintendent
Source: Supporting Education Reform: Mayoral and Corporate Paths; NCES; District websites; The Boston Globe; Miami Herald; Chicago Tribune; The New York Times; EdWeek

What Is the Role of Governance?

... And Early Indicators Point to Preliminary Increases in Student Achievement

Boston

- Between 1998 and 2002, the percent of students who met proficiency on the MCAS state assessment results rose in both 4th and 8th grade reading and mathematics
 - The percent of 10th graders proficient in reading improved from 23% to 41%, while math proficiency increased from 14% to 30% (again, between 1998 and 2002)
 - Proportion of African American 10th graders who passed the state mathematics test increased from 15% to 62%; the percent of Hispanic 10th graders who passed the same test increased from 13% to 65%
- 74% of the class of 2003 attended post-secondary education or training, the highest enrollment in 18 years (Boston Private Industry Council)

Chicago

- Between 1998 and 2002, the percent of K-8 students at or above national norms on the state reading test (the Iowa Test of Basic Skills) increased from 37% to 43%
- Tests of Achievement and Proficiency (TAP) reading performance for 9th and 10th graders increased from 29% to 34% during 1998 and 2002
- 4th graders in the lowest performing school improved the average for all schools by 5% in reading and by 6% for mathematics

New York City

- 57% of students achieved at or above the basic level on the 2005 NAEP test in reading, 8% higher than peers in other large cities, and marking a 4% increase since 2003
 - Gains demonstrated the highest of any of the participating urban school districts and higher than overall national gains
- In math, 73% of 4th graders achieved at or above the basic level on the NAEP test, 5% higher than peers in other large cities and a gain of 6% since 2003

What Is the Role of Governance?

In Addition, Other Key Advantages of Mayoral Control Would Address Leading DCPS Pain Points

Accelerated Pace of Reform

- Translate history of planning and analysis into action
- Increase focus on instruction and standards with goal of increasing student outcomes
- Drive inter-agency coordination to foster a culture focused on the comprehensive well-being of children

Direct Accountability for Management

- Streamline complex and overlapping governance structures and relationships
- Focus responsibility with clear individuals / entities
- Increase transparency between district standards and classroom performance
- Measure progress against consistent district-wide goals

Increase Stability in Leadership

- Support longer superintendent tenure through increased alignment of education objectives between the mayor and superintendent
- Attract strong leaders, teachers, partners with action oriented strategies across central office and school sites
- Provide sustained life cycles for reforms through extended Superintendent (and Mayoral) tenure

What Is the Role of Governance?

Several Options Exist for DCPS Consideration of Mayoral Control

Mayor With State Control

- Consolidate state powers with the SEO under the Mayor's office

Mayor With Local Control

- Mayor appoints Superintendent, who reports directly to the Mayor

Mayor With Both State and Local Control

- State and local education agencies both operate under Mayor's office



- **In addition to different governance structures and related education responsibilities, each model must also take into account considerations for facilities management, special education operations, and charter school oversight**

What Is the Role of Governance?

A Mayor’s Ability to Pursue Reform In An Accelerated and Effective Manner Will Be Influenced By Governance

- Mayoral control is more or less conducive to different types of reform initiatives

	<u>Teaching & Learning:</u> “Relentless Focus on Instruction”	<u>Human Capital:</u> “Recruit and Retain The Best Teachers and Leaders”	<u>Operations:</u> “Invest in Systems, Capacity, and Facilities”	<u>Partnerships / Relationships:</u> “Engage Families and Partners”
Description:	<ul style="list-style-type: none"> • Enact fundamental changes to organizational and school structures, education policies, curriculum, etc. • Initiatives are those most closely linked to long-term, sustainable and measurable improvements to student achievement 	<ul style="list-style-type: none"> • Recruitment of new teachers and principals • Retention strategies to prevent defection of existing, highly qualified DCPS teachers • Increase professional development and support 	<ul style="list-style-type: none"> • Help improve “curb appeal” of school system facilities and operations, where feasible • Provide external supports for immediate resolution of most urgent pain points (e.g. payroll, HR processing, etc.) 	<ul style="list-style-type: none"> • Facilitate coordination between different city and educational entities, including inter-agency collaboration • Leverage other city or CBO programs to provide tangential educational benefits • Encourage private participation in district-wide education initiatives

Potential DCPS Options:	<ul style="list-style-type: none"> • Streamline organizational responsibilities and reporting structures • Rigorous overhaul of standards, curriculum, assessment and PD → all aimed towards improving student achievement • Differentiated performance incentives for teachers / schools 	<ul style="list-style-type: none"> • Recruitment and stay bonuses for teachers to bolster highly qualified teachers in DCPS • Creation of “Leadership Academy” type program to train principals in leadership methods • Place literacy and math aides in schools to support teachers in increasing achievement for lowest performing students 	<ul style="list-style-type: none"> • Leverage existing Mayoral staff, CBOs and nonprofits to provide critical central-office or school based supports • Provide other outsourced support of operational and needs • Solicit private support for in-school improvements (e.g. technology) 	<ul style="list-style-type: none"> • Universal pre-K • After-school programs • Inter-agency collaboration for child services and/or policy requirements • City support to address school safety concerns • Alignment of facilities strategies with other city agencies
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Feasibility without Mayoral Control (Status Quo):



Mayoral emphasis on “indirect” education initiatives provides external support for improvement, while other reform areas rely upon Mayoral control to effectuate change

What Is the Role of Governance?

Ultimately, Mayoral Control Is Required to Exercise Direct Influence Over the Full Range of DC's Greatest Pain Points

○ Little to no influence
● Greatest influence

	Mayor With State Power	Mayor With Local Power	Mayor With State and Local Power
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Lack of Clear Accountability



Lack of Systemic Emphasis on Basic Teaching and Learning, including Inadequate Workforce



Operational, Management and Implementation inefficiencies



Inability to Serve and Support Special Education Students



Widespread Facilities Disrepair and School Safety Concerns



Insufficient Community Engagement and DCPS Responsiveness



What is required to successfully implement a new governance structure?

What Is the Role of Governance?

The First Step Is to Clarify and Separate SEA Responsibilities

Responsibility	District of Columbia	Other States
Federal grant application and administration	DCPS Office of Categorical Programs & Development	State Education Agencies
Development of academic standards	DCPS Board of Education	State Education Agencies
Certification/licensure of educators	DCPS Educational Credentialing and Standards Branch	State Education Agencies
NCLB compliance and assistance	DCPS	State Education Agencies
Perform fact-finding and research	SEO	State Education Agencies
Rules governing acceptable credit	DCPS Board of Education	Nearly all State Education Agencies
Development of graduation standards	DCPS Board of Education	Many State Education Agencies
Approval and renewal of charter school applications	Public Charter School Board Board of Education (formerly)	Many State Education Agencies
High school equivalency credentials	University of the District of Columbia	Many State Education Agencies
Special Education grants and oversight of adequacy of programs provided	DCPS Private providers of SPED services	Varies by state

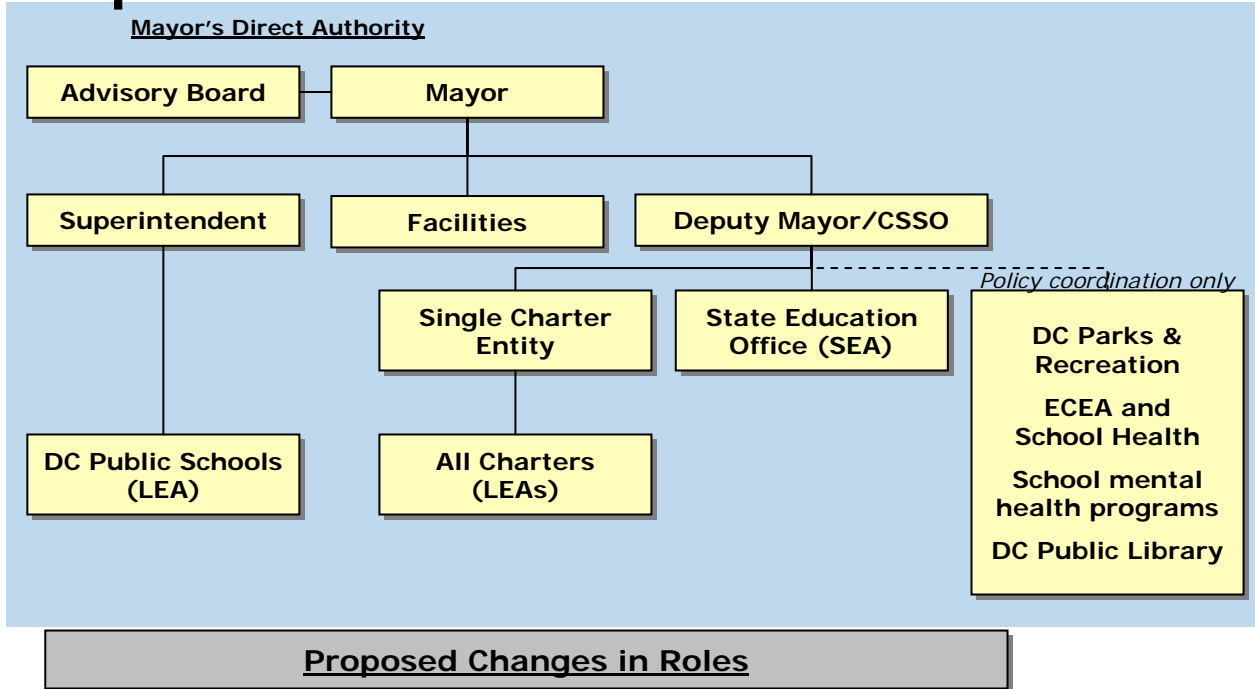


DCPS SEA responsibilities present challenges, including: limited oversight, conflicts of interest in application of funds, and failure to adequately perform some state functions

Note: SEO responsibilities include federally sponsored nutrition programs, verification of fall enrollment, formulation of residency rules, and administration of state higher education grants

What Is the Role of Governance?

A Recommended Structure Would Place the Mayor at the Head of Separate State and Local Governance Functions



Advantages of Proposed Structure

- Mayor has power over the state and local education agencies in DC
- Single-line accountability and reporting terminating with the Mayor
- Simplifies the budgeting procedure, with the Mayor responsible for budgeting for DCPS and charters
- Mayor's office can coordinate state, local, and related children's services
- Mayor has control over facilities to smooth cooperation with charters
- Mayor has additional lobbying power for grants as head of DCPS and chartering authority

Mayor's Office

Deputy Mayor, Superintendent, and Facilities report to the Mayor

Deputy Mayor

Responsible for charter authority, state education functions, and coordination of policy with education-related mayoral agencies

Charter Schools

Establish a single chartering entity reporting to the Deputy Mayor; charter schools would have the right to appeal decisions to the Mayor's office

Facilities

Single agency responsible for school construction, maintenance, and decommissioning

Advisory Board

Advises Mayor on policy decisions

The Parthenon Group

The Parthenon Group

The Parthenon Group is a leading boutique advisory firm focused on strategy consulting and employs over 150 professionals across offices in Boston, San Francisco and London. In addition to the firm's core general strategy work, The Parthenon Group has an established Education Center of Excellence, which is founded in over 15 years experience in education.

The Education Center of Excellence

The Parthenon Group is a leading advisor to the education industry. The Education Center of Excellence offers a wide variety of services to its clients, bringing experience across the K-12, higher education, and corporate training markets in the US and around the globe. Parthenon's experience in US K-12 public education includes district-level strategic planning initiatives with the New York City Department of Education, Boston Public Schools, and Austin Independent School District, as well as school-level business planning engagements in New York City, Boston, Chicago, Los Angeles, Sacramento, Denver, and Seattle.

Parthenon Context for DCPS Assessment

The Parthenon Group was engaged in November 2006 to conduct a privately-funded assessment of the District of Columbia Public Schools system. DCPS' ongoing challenges to make urgent improvements to student achievement provided the basis for Parthenon's engagement, which sought to achieve three key objectives: (1) outline a fact-based rationale for reform, (2) identify leading reform levers, and (3) assess different school district governance options within the context of reform prioritization needs.

In each strategic engagement with US school districts, Parthenon recognizes the uniqueness of each and every city and school district. Parthenon takes a highly customized approach to assessing a school district's specific educational context and related strategic needs. In the case of the DCPS engagement, Parthenon's assessment represents a fact-base that is intended to help inform decision-making specific to the District of Columbia's unique history, current circumstances, and dynamic political and educational landscape. An important component of Parthenon's efforts included comprehensive primary and secondary research to gather a broad representation of perspectives from different constituents within the District of Columbia, as well as in other urban school districts.

The opinions and recommendations expressed within the body of this report reflect strategic needs that are relevant to DCPS, and do not represent a broader Parthenon philosophy on mayoral control or other reform initiatives that might be applied to other school districts absent a similar effort to understand the unique contextual needs of individual districts.

Appendix

Appendix: What Is the Need for Reform?

DCPS Per-Pupil Cost Analysis: Key Assumptions

Model Assumptions:

Enrollment Assumptions:

- Total D.C. Public Education enrollment declines at -0.2% each year ('96-'05 compound annual growth rate) at the expense of DCPS
- Charter school enrollment increases by 800 students each year
 - Resulting annual decline in DCPS enrollment from the two assumptions above averages 946 students each year
- Special Education:
 - Total special education students in district fixed at FY07 enrollment level
 - Charter school special education fixed at 9.8% of total charter school enrollment
 - Special education private placement students decline by 87 students each year (avg. annual decline, '03-'06) and students are added proportionally to DCPS Level 3 and Level 4 enrollments
 - DCPS special education students constitute remainder from total fixed D.C. public education special education enrollment
- DCPS mix of non special education students projected forward at historical growth rates ('02-'06) for four years and then held at fixed FY11 levels
- Summer schools students projected forward at FY07 proportion of DCPS enrollment
- CSFA and Special Education private placement students are not included in the per-pupil cost analysis

D.C. UPSFF Assumptions:

- Foundation amount increases at 4% each year

Facilities:

- Facilities is budgeted at \$107MM for FY07 and includes facilities / infrastructure, custodial, and utilities expenses
- Facilities is projected to grow at the same rate as the foundation amount (4%)

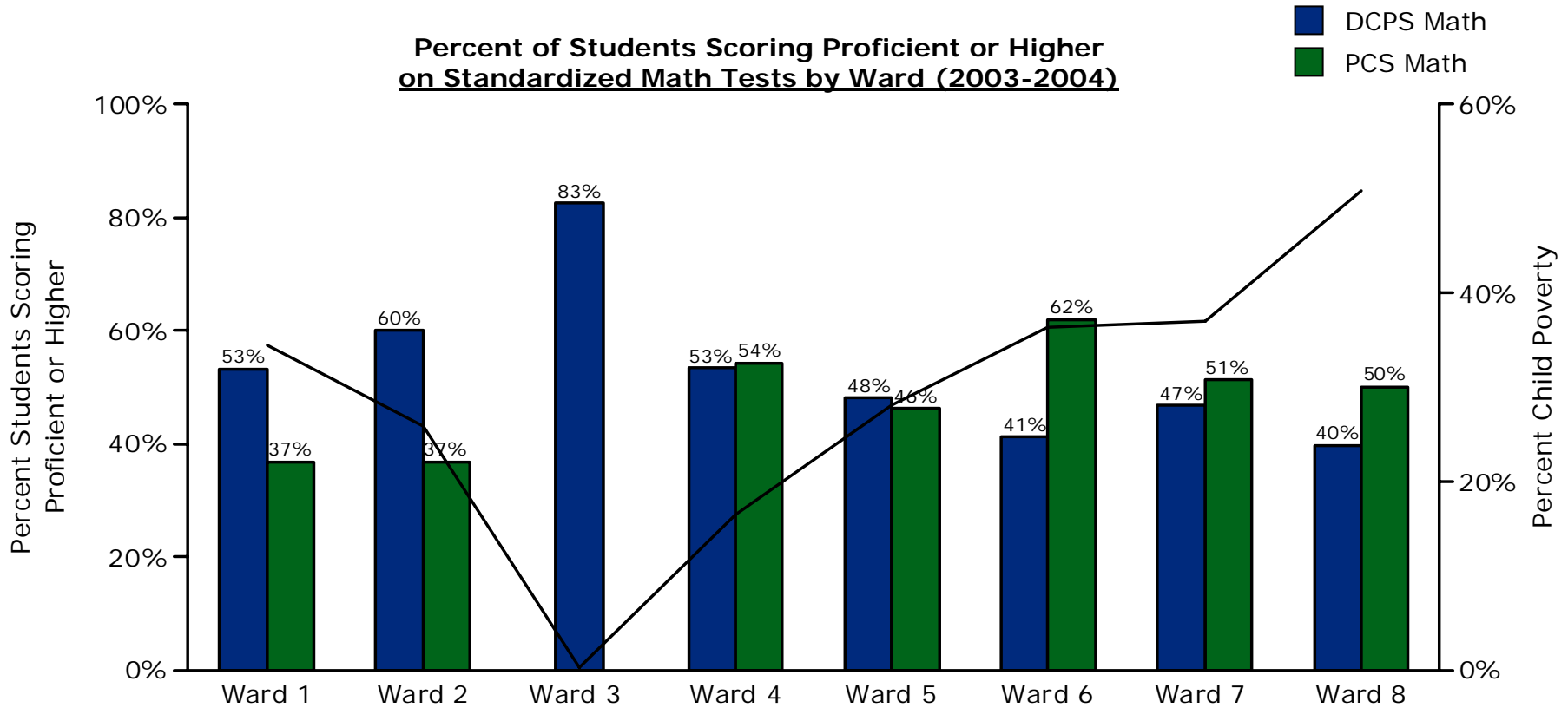
Central Office

- Central office is budgeted at ~\$61MM in FY07 and is composed of central administration (4.18% of FY2007 local funds LEA budget), central operations (4.17%), and central instructional support (2.06%)
- Central office is projected to grow at the same rate as the foundation amount (4%)

Appendix: What Is the Need for Reform?

Charter School Performance is Mixed Across Wards

- ...whereas charter schools performed better than DCPS schools in math proficiency in four out of seven wards



DCPS Student Share %	82%	90%	96%	91%	75%	79%	76%	76%
PCS Student Share %	18%	10%	4%	9%	25%	21%	24%	24%

Note: * No charter schools operate in Ward 3, although students have the option to attend charters outside of the ward. Standardized test scores reflect the appropriate standardized tests for their grade level

Source: Fannie Mae and Urban Institute, *Housing in the Nation's Capital (2006)*