

# LFC HEARING BRIEF

## BACKGROUND INFORMATION

**AGENCY:** Public Education Department; Public Schools; Institutions of Higher Education

**DATE:** 7/18/2013

**PURPOSE OF HEARING:**  
Highlight the Importance of School Turnaround and School Leadership

**WITNESS:** Eric Hanushek, PhD, Senior Fellow, Hoover Institute, Stanford University; Hanna Skandera, Secretary-Designate, Public Education Department; Eddie Soto, Associate Superintendent for Secondary Education, Albuquerque Public Schools; Efren Yturralde, Superintendent, Gadsden Independent School District; Sharon Robinson, Principal, Valley View Elementary School, Las Cruces Public Schools; Linda Perez, Principal, Anthony Elementary School, Gadsden Independent School District; and Ben Santistevan, Principal, West Mesa High School, Albuquerque Public Schools; Steven Sanchez, Las Cruces Public Schools; Kathleen Brooks, Dean, College of Business, New Mexico State University; Arlie Woodrum, Chair of Educational Leadership Program, University of New Mexico

**PREPARED BY:** Rachel Gudgel

**EXPECTED OUTCOME:** Build consensus for statewide turnaround principal leadership program.

Since the passage of the federal No Child Left Behind (NCLB) Act of 2001, the nation's education systems have increased their focus on school improvement interventions that build school and teacher capacity to increase student achievement. However, New Mexico student achievement is improving much slower than policymakers would like. Challenges preventing low-performing schools from turning around are rarely singular or simple and call for evidence-based systemic and sustainable interventions.

Past LFC hearings have focused on school improvement strategies implemented at school districts, individual schools, and at the Public Education Department (PED). In June 2010, the Committee heard from the PED and a number of school principals about strategies intended to turn around some of the state's lowest performing schools, including extended learning time, extended core programs with additional time for math and reading interventions, credit recovery programs, programs tailored for English language learners, distance learning opportunities, common planning time, health clinics, and family and community outreach components. The state has invested heavily in other interventions targeted to close the achievement gap and turn around low-performing schools, such as Kindergarten-Three Plus, early reading interventions, and prekindergarten.

Efforts to turn around low-performing schools are being funded by state, federal, and private grants with continued support from the PED. The PED is working to establish an aligned, systemic action plan to support all struggling schools that eliminates duplication of efforts, builds the capacity of school leaders and administrators, identifies effective and innovative solutions to close the achievement gap, and creates efficiencies across school budgets. The PED provides differentiated technical assistance, opportunities for professional development, annual budget reviews, resources for best practices and research-based programs, and a number of tools to assist schools and districts in determining their strengths and opportunities for improvement on an ongoing and as-needed basis.

Since the June 2010 hearing, research has noted the importance of school principals. Research clearly demonstrates school principals, second only to classroom teachers, significantly influence student learning and other aspects of school performance. Given persistently low student achievement in the state, school districts must make the development of strong school leadership a top priority. In low-performing schools, the principal's role is paramount for dramatically improving student performance. School leadership influences motivations and capacities of teachers, promotes school and community visions and goals, as well as influences the school climate and environment and ensures resources and process are in place to enable teachers to be effective. Studies indicate major factors affecting turnaround success include the characteristics and actions of a turnaround leader and support for dramatic change from the district, state, and other governing authorities.

*"Turnaround is a dramatic and comprehensive intervention in a low-performing school that: a) produces significant gains in achievement within two years; and, b) readies the school for the longer process of transformation into a high-performance organization."*

*-Mass Insight Education*

**School Turnaround Strategies**

- Reading and instructional coaches
- Tutoring
- Extended learning time
- New or supplemental curriculum
- Targeted professional development
- Replacing low-performing principals and teachers
- Community outreach and support
- Emphasis on data-informed instructional decisions
- Allocation of central office staff to support turnaround
- Allocation of additional resources and flexibility
- Establish professional learning communities

**Findings from 2013 Instructional Audits Conducted by PED**

- 91% of schools had findings addressing differentiated instruction
- 88% of schools had findings addressing the use of data
- 53% of schools had findings addressing alignment with the common core state standards
- 40% of schools had findings addressing instructional time
- 35% of schools had findings addressing the environment
- 35% of schools had findings addressing accessing data
- 28% of schools had findings addressing ELLs
- 19% of schools had findings addressing core focus
- 9% of schools had findings addressing SPED

This brief highlights school turnaround efforts currently underway across the state, statewide student achievement data recently released by the PED, and research on the importance of a strong school principal.

**SCHOOL TURNAROUND EFFORTS IN NEW MEXICO**

In addition to targeted efforts outlined below, all schools are required to complete the Web Educational Plan for Student Success (Web EPSS) to address priorities in their school improvement plan. The Web EPSS ties the school district's goals for the next year to an action plan, and is aligned with state statutes, regulations, and PED policies and initiatives (the Web EPSS is effectively a business plan for the school year). The Web EPSS is data-based and continually evolves. Individual schools that meet certain criteria based on the federal flexibility waiver and the school's grade pursuant to the state grading system are required to undergo external Web EPSS reviews. Additionally, all priority, focus, and D and F schools are required to undergo an instructional audit. The instructional audit serves as an independent examination of the operations and systems that support and relate to instruction. Critical findings identified in the instructional audit must be addressed in the next annual Web EPSS.

**Targeted State-Led Efforts.** Over the last decade, the Legislature has made targeted general fund appropriations for school turnaround, including \$8.3 million to the incentives for school improvement fund between FY03 and FY07 and \$9.7 million to the schools in need of improvement fund between FY07 and F10. However, the PED did not collect data on the effectiveness of these appropriations. Most recently the Legislature appropriated \$7.5 million in FY13 and FY14 for interventions in D and F schools. The PED has not developed performance measures to assess the results of these appropriations.

**Appropriations for Interventions in D and F Schools.** In FY13, the Legislature appropriated \$3.5 million to support low performing schools. This amount will increase to \$4 million for FY14.

The PED allocated FY13 funds inconsistent with the plan the department originally submitted to the Legislature to consider funding the new initiative. The appropriation for FY13 was allocated to send a small cohort of principals and school staff to the University Virginia School Turnaround Specialist Program (UVA-STSP), statewide training and professional development, administration of the 11th grade standards based assessment to 10th grade students, other direct support to D and F schools, and a competitive grant program targeted to promote innovative solutions to improve student achievement. Originally, the department committed to using a majority of the funding for instructional coaches in the lowest performing schools. However, the department's plan changed substantially after the appropriation was made and a majority of the funds were earmarked for the UVA-STSP program.

Major focuses of the UVA-STSP are selecting the right leader for the job, building district capacity to support the local leader's efforts to achieve and maintain success, and the constant use of data to drive instructional decisions.

Concerns persist about the department's use of the appropriation for interventions in D and F schools and its effectiveness. Contrary to the PED's request and language in the 2013 General Appropriation Act limiting appropriations to support D and F schools, some of the funding was used to support non-D and -F schools. Additionally, recently released NMSBA data shows mixed student performance results for those schools participating in the UVA-STSP. A majority of participating schools made no gains or decreases in proficiency on the reading assessment, while a majority of participating schools made gains in math proficiency. Reading proficiency scores ranged from a four percentage point decrease to a 13 percentage point increase and math proficiency scores ranged from a nine percentage point decrease to a 15 percentage point increase.

For FY14, the department's new Principals Pursuing Excellence initiative aims to mimic the UVA-STSP program by providing ongoing support to a cohort of principals for two years. The initiative is funded by a Daniels Foundation grant and state appropriations, and will address some of the criticism of the UVA-STSP program by focusing on common lessons learned through administration of federal School Improvement Grants and instructional audits, as discussed below. It is unclear whether the PED has the capacity to implement the program with the fidelity needed for it to be successful.

***University of Virginia School Turnaround Specialist Program.*** The UVA-STSP uses a systemic approach to turning around schools that includes working with school, district, and state-level leadership teams to help build the internal capacity necessary to support and sustain effective school turnarounds. The two-year executive education program focuses on the creation of high-impact school leaders and the district capacity necessary to initiate and support transformational change. The program is largely run by the Darden School of Business in collaboration with the Curry School of Education.

Entrance into the UVA-STSP program is highly selective. Since the program's inception, districts have had the sole responsibility for recruiting and selecting the principals who participate in the program. However, over time the UVA-STSP has provided districts with greater support to identify those principals most capable of leading a successful turnaround. The program uses a competency-based evaluation to select leaders into the program. Applicant principals are required to participate in and receive a minimum score on a behavioral event interview (BEI). The BEI measures how they rate on a set of core competencies demonstrated by successful turnaround leaders, such as influencing key stakeholders, concentrating on big wins, and measuring and reporting progress. Additionally, UVA-STSP requires a readiness assessment for districts to determine whether the district has the capabilities, alignment, process, and resources for a school turnaround effort to be successful.

Instruction is delivered through coursework, case studies, interactive discussions, workshops, and implementation of action plans. The program does not offer a prescribed rigid set of actions or course

**Federal School Improvement Grant Recipients**

**COHORT 1**

Albuquerque Public Schools

- El Camino Real Charter School
- Ernie Pyle Middle

Central Consolidated Schools

- Naschitti Elementary
- Newcomb High

Gallup McKinley County Schools

- Crownpoint High

Grants Cibola County Schools

- Laguna Acoma High

Jemez Mountain Public Schools

- Lybrook Elementary

Santa Fe Public Schools

- Ramirez Thomas Elementary

Socorro Consolidated Schools

- Raymond Sarracino Middle

**COHORT 2**

Alamogordo Public Schools

- Alamogordo High

Albuquerque Public Schools

- Highland High
- Rio Grande High
- West Mesa High

Deming Municipal Schools

- Bell Elementary

Pecos Independent Schools

- Pecos Middle School

With the large influx of federal dollars for school turnaround, many for profit school turnaround companies with little to no experience turning around low-performing schools surfaced. The effectiveness of these companies is largely unstudied, and many of these groups have no experience turning around low-performing schools.

The Priority Schools Bureau of the Public Education Department has provided significant support to school improvement grant schools including ongoing monthly monitoring and technical assistance.

curriculum, but rather focuses on practices and processes that will help build the internal capacity necessary to make initial change and sustain success. The curriculum focuses on: understanding the school turnaround context and the fundamentals of successful turnarounds; developing and communicating a vision that includes the need for urgent change; establishing a culture of high expectations; building effective coalitions and implementing shared decision-making; using data to drive decisions and to monitor and measure the need for mid-course corrections; identifying innovation opportunities and developing strategic plans; and teaching state, district, and school administrators to think like leaders (not simply managers). Course delivery happens twice a year with quarterly follow up.

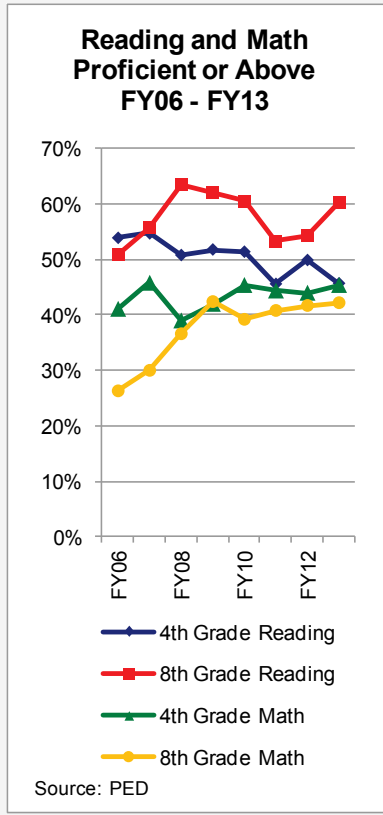
Similar to the mixed student performance results seen in New Mexico, the UVA-STSP 2010 annual report notes mixed performance results for previous cohorts of participating schools. The report notes that they did not have a “control” group to compare to participating schools to isolate the effects of the program. Criticisms of the program tend to note that the program gives a general approach to leadership identification and training but is not specifically tailored to address state-specific issues, including statutory and regulatory requirements and compliance with directives from state education agencies. Additionally, the program does not address the cultural diversity of the state.

**Federal School Improvement Grant.** School improvement grants (SIG) authorized under the federal Elementary and Secondary Education Act (ESEA) provide formula grants to state education departments that are distributed through a competitive sub-grant to local schools that demonstrate the greatest need and strongest commitment to substantially raise the achievement of students in their lowest-performing schools. The grant program emphasizes changes in school governance, structure, human capital, and teaching practices.

Each school that accepts funding has to implement one of four school turnaround models, including the Restart Model – school closes and re-opens as a charter school or under an educational management organization; the Close/Consolidate Model –school closes and enrolls students in other higher achieving schools in the district; and the Transformation Model – principal is replaced and operational flexibility is granted with teacher and principal evaluation systems linked to student growth; and the Turnaround Model – at least 50 percent of existing staff is replaced and operational flexibility is granted. A majority of New Mexico schools receiving SIG funding chose the Transformation Model.

Despite the increased funding and support SIG schools have received, student achievement results from the first three years are mixed. On average, student reading scores on the New Mexico Standards Based Assessment (NMSBA) at schools receiving SIG funding have decreased while math scores have generally increased. This is consistent with statewide trends; however, the SIG school math gains were greater than the statewide average and reading scores decreased

The 2012-2013 school year was supposed to be the last year of SIG funding; however, the federal government has authorized participating schools to carry forward any remaining balances through the 2013-2014 school year.



on average more than average statewide decreases. Given the PED’s focus on reading, the drop in reading scores over the past several years at SIG schools and statewide is of concern.

Lessons learned from administration of the SIG grant include the importance of a commitment from the school district, the individual school, and the PED to dramatically improving the school. Equally important is the leadership role of both the school district superintendent and the school principal. Without committed strong leaders, any turnaround effort will founder. A strong structure of professional development and accountability must be in place. Professional development must be meaningful and related to school expectations. Additionally, the PED noted the importance of ongoing monitoring and alignment of expectations at the school level and the district level with funding and practices.

**SATEWIDE STUDENT ACHIEVEMENT**

Student outcomes and school performance indicate the continued need to strategically invest in evidence-based initiatives that will have significant, immediate impacts on student performance. Student achievement as measured by the New Mexico Standards Based Assessment (NMSBA) shows moderate gains in math over the past several years; however, reading scores remain relatively flat. School grades issued for the 2012-2013 school show approximately 37 percent of schools continue to demonstrate unacceptable student performance; approximately 29 percent of school grades decreased in 2012-2013 (school grades favor schools with fewer students from low-income families). While FY12’s four-year cohort graduation rate increased significantly, three in 10 high school students still drop out before completing high school, and of those that graduate many remain unprepared for college or the workforce. Remediation rates for New Mexico high school graduates continue to be higher than desired. In addition to low statewide student achievement, the achievement gap, or observed disparity in performance on a number of educational measures between groups of students generally defined by gender, race, or socioeconomic status, continues to be a significant issue. Too many New Mexico children are falling behind each year given the substantial investment the state makes for public education.

**VALUE AND SELECTION OF STRONG TURNAROUND LEADERS AND DISTRICT-LEVEL SUPPORT**

Research highlights the value a strong principal brings to a school. Recent research out of Stanford University shows “highly effective principals raise the achievement of a typical student in their schools by between two and seven months of learning in a single year; ineffective principals lower achievement by the same amount.” (Hanushek and Rivkin, 2012). Their research suggests that, in addition to shaping the school culture and expectation, management of teacher quality is an important pathway through which principals affect school quality. A report commissioned by the Wallace Foundation in 2004 found virtually no documented instances of under-performing schools being turned around without a strong principal.

For the past 10 years, competency-based evaluation has been the bedrock of Singapore's educational system, one of the strongest in the world.

**Competency Based Model for Selecting School Turnaround Principals**

- 1) Short, broad definitions of the competencies that distinguish high performance;
- 2) Rating scales of increasingly effective levels of behavior within each competency;
- 3) Competency level targets for the job of school turnaround principal; and
- 4) Selection steps and guidelines for assessing candidate's competency levels using the behavioral event interview (BEI).

Leadership turnover and instability are often cited as an impediment to improving persistently low-performing schools. Many times lower performing schools are more likely to have new principals. "The proportion of principals in their first year leading a school is roughly 40 percent higher in schools in the bottom quartile of average prior achievement than in schools in the top quartile; the proportion of principals that have been at their current school at least six years is roughly 50 percent higher in schools with higher achieving students." (Hanushek and Rivkin, 2012). This research concludes the labor market for principals does not appear to screen out the least-effective principals. Instead, they frequently move to different schools.

**Competency Based Selection of Turnaround Leaders.** The current pool of principals is unlikely to have the number and type of candidates necessary to lead a large number of school turnaround efforts. Recruitment must, therefore, focus on candidates whose capabilities fit the demands of school turnaround. Research generally indicates that basing hiring decisions on educational attainment and years of service is a poor predictor of performance. School turnaround leaders must be carefully selected with the skills and characteristics necessary for the job.

A research study published by the University of Virginia indicates two competencies appear critical to high levels of success in most complex leadership jobs, including school turnaround: 1) achievement; and 2) impact and influence. Selecting a principal who possesses most of the competencies needed for turnaround leadership, rather than relying on development of these competencies, may be the best way to achieve rapid results. Public Impact, a national education policy and management consulting firm, has created a competency model for selecting school principals. Public Impact suggests using a model that includes competency descriptions, levels, and tools for rating and comparing candidates to select the best qualified turn around principal. Their competency model includes: short, broad definitions of the competencies that distinguish high performance; rating scales of increasingly effective levels of behavior within each competency; identifying competency level targets for the job of a school turnaround principal; and selection steps and guidelines for assessing candidates' competency levels using a behavioral event interview (BEI).

**District-Level Support of Turnaround Efforts.** Turnaround leaders must be adequately supported by the school district central office staff in order to be successful. District staff must take an active role in the turnaround effort, committing to prioritize instructional improvement to ensure improved student learning. After choosing the right schools to focus on, central office staff must be focused on supporting principals and instructional leaders and less on administrative management issues. School leaders must be supported, but must also be given the flexibility they need to make critical decisions with regard to staffing, scheduling, budgeting, programming, data, and other operational issues. Districts can also support turnaround efforts by creating incentives and conditions to enable low-performing schools to attract and retain high quality principals and teachers.

**Key Actions of Successful Turnaround Leaders**

Initial Analysis and Problem Solving

- Collect and analyze data
- Make data-based action plan

Driving for Results

- Focus on small incremental improvements in year one
- Break organizational norms
- Require all staff to commit to change
- Make necessary staff replacements
- Focus on successful tactics; halt others
- Resist touting progress as ultimate success

Influencing Inside and Outside the Organization

- Communicate a positive vision
- Gain support of key influencers
- Silence critics with speedy success

Measuring, Reporting and Improving

- Measure and report progress frequently
- Require decision-makers to share data and solve problems

**BUILDING SCHOOL TURNAROUND LEADERSHIP IN NEW MEXICO**

Regardless of the turn-around approach, investing in good principals is a particularly cost-effective way to improve teaching and learning throughout entire schools. Developing stronger school leadership that is supported by the school district must be a top priority to improve education in the state.

Individual universities and school districts have recently focused attention on creating an evidence-based school turnaround leadership program similar to the UVA-STSP program geared toward the specific needs of New Mexico. Existing efforts are generally focused on improving the quality of educational leadership in the state and include administrator preparation programs, leadership programs led by the New Mexico School Leadership Institute (NMSLI), and administrator mentorship programs.

The University of New Mexico (UNM), Albuquerque Public Schools (APS), and the NMSLI recently submitted a grant proposal to the U.S. Department of Education for a Turnaround Leadership for Student Success program. The proposal is a collaboration between the College of Education and the Anderson School of Management with APS and the NMSLI to design and deliver a cohesive, comprehensive, and rigorous program to train and support a cadre of experienced principals and assistant principals to turn around low-performing schools and to train highly qualified aspiring principals to lead schools in need of turnaround. The proposal includes the use of a BEI to carefully screen participants. The cohort will be supported by the program for three years with ongoing training, coaching and support to implement school turnaround while building capacity at their school. The proposal will support three cohorts that will ultimately receive a certificate of advanced studies in turnaround leadership. Part of the proposal includes dissemination of best practices to other districts in the state.

Additionally, New Mexico State University (NMSU) and Las Cruces Public Schools are in preliminary discussion with the University of Virginia to bring the UVA-STSP program to NMSU and fit it to the needs of New Mexico. Discussions have primarily been between the district and the College of Business.

As momentum gathers to create a program in New Mexico to better support existing principals in turning around low-performing schools it is important to ensure the program is evidence-based and meets the particular needs of a turnaround principal in New Mexico. To that end, the Executive Director of the UVA-STSP will present the lessons they have learned as the program evolved to the Committee in August.

RSG/svb

**Performance Report Card  
Public Education Department  
Third Quarter, Fiscal Year 2013**

**Performance Overview:** The Public Education Department provides program and fiscal oversight to public schools to ensure accountability for almost half of the state budget. Many performance measures are reported annually and provide limited quarterly measurement of progress made by the department. The PED continues to increase focus on financial operations within the department and over school districts and charter schools. The department continues to streamline business processes to alleviate administrative pressure placed on schools. Additionally, the PED is working to ensure public education funding is allocated to evidence-based programs, classroom spending is prioritized and funding units claimed by school districts and charter schools are accurate and appropriately claimed.

The PED continues to advance initiatives aimed at improving student outcomes, including a school grading system, common core state standards, a teacher and school leader evaluation system, targeted interventions for low performing schools, and an early literacy intervention program. Nevertheless, rapid implementation of high-profile initiatives continues to prove challenging. Additionally, the department continues to experience high vacancy and turnover rates, leading to a lack of stability and consistency within bureaus.

The PED is responsible for administering the public education funding formula and ensuring accurate formula data is used to allocate funds. During FY13, the department resumed auditing of individual school districts and charter schools for accurate membership reporting and auditing of funding formula components to ensure accurate and equitable distribution of public education funding. This department has not engaged in a rigorous auditing process since FY08.

The PED submitted its FY12 audit on time; however, the audit has not yet been issued because of federal Individuals with Disabilities Education Act maintenance of effort (MOE) issues. The PED reports the auditor was initially waiting to issue the audit after the federal government made a decision regarding the department's request for MOE waivers for FY10 and FY11. As this has yet to happen, the auditor required the inclusion of a statement regarding MOE and a management response from the PED. The department provided the required management response and anticipates release of the audit in the coming weeks.

Program		Budget: \$40,233.4	FTE: 256.8	FY11 Actual	FY12 Actual	FY13 Target	Q1	Q2	Q3	Rating
1	Percent of teachers passing all strands of professional dossiers on the first submittal*			76%	91.7%	80%	82.7%	84.4%	89.0%	Y
2	Average processing time for school district budget adjustment requests, in days (direct grants)*			4	3	7	2	2	2	G
3	Average processing time for school district budget adjustment requests, in days (flow-through funds)*			19.4	12.5	21	9	13	8	G
4	Number of data validation audits of funding formula components annually			n/a	n/a	30	9	5	0	Y
5	Number of elementary schools participating in the state-funded elementary school breakfast program*			157	156	Explanatory	165	165	165	n/a
6	Number of eligible children served in state-funded prekindergarten*			4,435	4,426	Explanatory	4,931	5,146	5,158	n/a
<b>Program Rating</b>				Y	G					Y
Comments: During the 2012 interim, discussions were ongoing about the need to update the public education funding formula. Little momentum was gained from these discussions, and the department's leadership was minimal.										



**Performance Report Card  
Public Education Department  
Third Quarter, Fiscal Year 2013**

The percent of teachers passing the dossier on the first attempt is generally lower in the first quarter due to a lack of district support during the summer months. As teachers receive increased support, this figure will likely increase. Third-quarter data indicates a modest increase in the passage rate that will likely continue to increase. The PED should update the dossier to ensure rigorous evaluation of teachers as they advance licensure.

The department significantly increased the turnaround time to process and distribute federal flow through funds since FY11, highlighting an increased focus on finance and operations. Additionally, during FY13 the department resumed school district and charter school data validation audits to ensure fair distribution of formula funding; however, the department does not appear to be on target to meet the FY13 target.

\* Denotes House Bill 2 measure