

# AMERICA'S BEST (AND WORST) CITIES FOR SCHOOL REFORM:


## Attracting Entrepreneurs and Change Agents

By Frederick M. Hess, Stafford Palmieri, and Janie Scull

Foreword by Chester E. Finn, Jr. and Amber M. Winkler



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# TABLE OF CONTENTS

<b>Foreword</b>	2
<b>Executive Summary</b>	7
<b>Introduction</b>	10
<b>Findings</b>	18
The Nation's Best Cities for School Reform	18
The Middle of the Pack	20
The Nation's Worst Cities for School Reform	22
Taking A Closer Look	23
Cities Matter	23
The Impact of Collective Bargaining	25
Performance Across the Categories	26
Performance by Category	27
<b>Implications</b>	33
<b>City Profiles</b>	
Albany	35
Austin	38
Baltimore	41
Boston	44
Charlotte	48
Chicago	51
Columbus	54
Dallas	57
Denver	60
Detroit	63
El Paso	67
Fort Worth	70
Gary	73
Houston	76
Indianapolis	80
Jacksonville	83
Los Angeles	86
Memphis	89
Milwaukee	92
Newark	95
New Orleans	98
New York City	101
Philadelphia	105
Phoenix	108
San Antonio	112
San Diego	116
San Francisco	119
San Jose	122
Seattle	125
Washington, D.C.	128
<b>Appendices</b>	131
Appendix A: Methodology	131
Appendix B: Scoring Rubric	135
Appendix C	145

# FOREWORD

By Chester E. Finn, Jr. and Amber M. Winkler

Not long ago, Education Sector policy director Kevin Carey perceptively captured the current zeitgeist in education reform—and how swiftly it has changed<sup>1</sup>:

When I began working on education policy full-time in the early 2000s, the center of gravity in education reform sat with the coalition of civil rights advocates, business leaders, and reform-minded governors of both parties who pushed NCLB through Congress in 2001. To find that same hum of ideas and influence today, you'd head straight for the annual New Schools Venture Fund Summit and its confluence of charter school operators, TFA alumni, urban reformers, philanthropies, and various related “edupreneurs.”

Indeed, education entrepreneurialism is all the rage—at least if you see the world through magazine articles and conference keynotes. Think of Teach For America and New Leaders for New Schools, of KIPP and Uncommon Schools, of Wireless Generation, K12, EdisonLearning, SchoolNet, and so many more players that scarcely existed a few years back.

But is this spirit of innovation and enterprise embraced by today's real world of public education, especially in America's big cities, where the greatest challenges can be found? Alas, not so much. Too few of our major metropolises have the talent, leadership, infrastructure, culture, and resources—both human and financial—to beckon enterprising reformers and then help them to succeed there. That's one core finding of this study. The other finding is more encouraging: A handful of communities have succeeded in creating healthy reform environments. The actual, as Kant observed, proves the possible. If a few places can begin to resemble Silicon Valley when it comes to education reform, others could, too. Be warned, however, that it isn't easy.

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According to the *Dictionary of American History*, “Silicon Valley” came to “symbolize a type of high-risk business characterized by rapid success or failure.”<sup>2</sup> The individual most often credited with the start of Silicon Valley was William Shockley, an English physicist who worked to develop the transistor at Bell Laboratories before World War II. He was “a restless person whose inquisitive mind and entrepreneurial aspirations did not find satisfaction in the larger corporation [i.e., Bell Labs]” and who subsequently left to establish Shockley Semiconductor Laboratories just south of Palo Alto. Other electronics start-ups, including Intel, Atari, and Apple, were launched by talented individuals who once worked at Shockley.

But it wasn't just the influx of human talent into northern California that birthed an entire high-tech industry there. Look deeper and you find other key ingredients that made the area ripe for entrepreneurial activity.

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1. “Whatever Happened to No Child Left Behind?,” *Quick and the Ed*, June 25, 2010, <http://www.quickanded.com/2010/06/whatever-happened-to-no-child-left-behind.html>.

2. Stanley I. Kutler (ed.), *Dictionary of American History*, 3rd ed. (New York, NY: Charles Scribner's Sons, 2002).



These talented individuals thrived in a culture that eschewed traditional large-scale firms and the unions that came with them. They had access to world-class universities and deep-pocketed investors in search of promising ventures. They benefited from positive publicity and interest in their efforts. They developed rich social networks with all sorts of other organizations. They enjoyed an ample supply of financial, managerial, and legal expertise. And they worked during a time when political and economic power in America was shifting away from the industrial Midwest and toward the information technology emphasis of the Pacific West. In other words, the Valley boasted an “ecosystem” that attracted entrepreneurs and helped them succeed.

Could a healthy ecosystem be the key to education entrepreneurship, too? We think so, and that’s largely because we’ve been convinced by the groundbreaking work of Frederick M. Hess, director of education policy studies at the American Enterprise Institute. Widely known as an intellectual entrepreneur and maverick, Rick wrote his first book about education entrepreneurship nearly a decade ago (*Revolution at the Margins*), when many were still trying to figure out what the term meant. And he recently published *Education Unbound*, which calls upon educators and policy makers to embrace freedom and innovation. We asked Rick to apply his theories about entrepreneurship to a practical study of major U.S. cities. He agreed—and Fordham analysts Stafford Palmieri and Janie Scull consented to join him.

In this report, the Hess team examines six areas that are vital to a reform-friendly ecosystem: 1) access to an ample supply of human talent; 2) a pipeline of readily accessible funding—venture capital and operating dollars alike—from private and public sources; 3) a thriving charter-school sector; 4) attention to quality-control metrics to guide and regulate entrepreneurial ventures; 5) receptivity to nontraditional providers<sup>3</sup> (including clearing hurdles that would otherwise impede them) and to reforms at the district level; and 6) similar receptivity at the municipal level.

Authors examined the school-reform environments in the nation’s twenty-five largest cities, plus five smaller communities. As reputed “hotbeds” of reform, they reasoned, these five additional locales (Albany, NY; Gary, IN; New Orleans, LA; Newark, NJ; Washington, D.C.) would permit comparisons of big cities with smaller but potentially more nimble places.

They tapped three types of data. The first was public information gleaned from large national databases and organizations (e.g., evaluations of state charter-school laws and data systems, participation levels in alternative teacher-certification programs, and per-pupil spending figures). Since many of the data they sought were not readily available (or even collected), two new surveys were also administered. One went to leaders in national organizations—mostly nontraditional providers themselves—that are actively involved in cities across the nation. They were asked to rate comparatively, insofar as they possessed the requisite knowledge and/or experience, the cities in our sample on the six areas above. The second survey obtained more granular data about school system behaviors and community-level reform infrastructure and climate from on-the-ground education reformers in each city.

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3. These are entities that operate either inside or in concert with districts, colleges of education, or district schools. Their roles vary: Some provide schooling options other than traditional schools, others recruit or train teachers, and still others develop new tools, technologies, data systems, and learning aids that help solve operational challenges and/or boost achievement.

## What were the results?

Nine cities bubbled to the top of the reform-friendly heap: New Orleans, Washington, D.C., New York City, Denver, Jacksonville, Charlotte, Austin, Houston, and Fort Worth. They all earned Bs. There were no As.

Six cities landed at the bottom with Ds and Fs: San Jose, San Diego, Albany, Philadelphia, Gary, and Detroit.

Among the six realms we examined, cities generally fared best at securing financial capital. They were less attentive to managing their human capital pipelines, i.e., recruiting and retaining high-quality teachers, and they fared badly when it came to district environment. Here a third of them received failing grades, generally due to skittish leaders and bureaucratic fiefdoms hostile to nontraditional problem-solvers.

Some variation emerged within states. In California, for example, San Francisco ranked a respectable 10th place nationally while San Diego lagged at 22nd.

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What to make of these results? On the one hand, they aren't too shocking. Everybody knows about exciting reforms underway in New Orleans, Washington, New York, Houston, and Denver. And everybody bemoans the sorry plight of unyielding education systems in declining communities such as Detroit and Gary.

But not everybody would have predicted that Austin, Charlotte, Jacksonville, and Fort Worth would turn out to be hotbeds of edupreneurship. It appears that Austin benefits from the long and successful run of superintendent Pascal "Pat" Forgione as well as the general spirit of innovation that pervades the community—not to mention a fairly weak teachers' union. Charlotte has a well-run countywide school system with lots of middle-class support, and a labor environment conducive to reform. Jacksonville profits from the aggressive reforms of the Jeb Bush era in Florida as well as a burgeoning reform-friendly, local philanthropic community—and a strong state charter law. Fort Worth is home to a strong municipal environment and a school district that actively uses data to adjust its policies and programs.

A scan of the bottom-scoring cities reveals that reform apathy plays no geographic favorites. In their overall lack of receptivity to entrepreneurial education reform, we don't find much difference between such "rust belt" cities as Detroit and Gary and more prosperous (and populous) coastal and "sun belt" locales like San Jose, San Diego, and Philadelphia. None is attracting large numbers of eager innovators and none boasts reform-friendly labor policies. Many feature calcified bureaucracies and lethargic municipal leaders.

Is there hope for the laggards? Indeed, yes. This study outlines enormous opportunities for mayors, school systems, and business leaders to turn things around, though such transformations won't come easily or fast. But then, Silicon Valley did not become a hotbed of innovation over night. It took decades to infuse the region with the financial capital, talent, networks, and expertise that make it what it has become.

To move their community seriously toward entrepreneurial education reform, leaders of that community need to think very differently than in the past. Monopolies and top-down reforms by themselves only get you so far. Competition is healthy for the public sector and so is innovation. There's a nimbleness and creativity to nongovernmental providers. But the injection of a small amount of entrepreneurialism doesn't inoculate the entire body or transform the whole ecosystem. This needs to grow and it needs to grow energetically, smartly, and in a sustained way.

Nor should one expect instantaneous results. Just as new business activity in your city (e.g., the launch there of a bio-tech firm) takes a while to pay off in real economic growth, we find no immediate relationship between the reform-friendly grades for cities in this study and gains in pupil achievement. No education reform—entrepreneurial or top-down—boosts test scores overnight. It needs to get traction, to attain reasonable scale, to change actual behavior and alter traditional practices.

## Big Fat Caveat

The findings reported in these pages will upset some folks in every city that we profile. (Some of them are friends of ours, too.) So let us acknowledge up front that the methods we used to grade cities, while commonsensical, are nonetheless fragile. They rely on surveys that didn't always yield the hoped-for response rates and on analyses and interpretations by people who don't live in—and may never even have visited—the places they're depicting. Individuals on the front lines in those places may reasonably charge us with casting too negative a light on good work about which they know and in which they may even be participating. We also may be accused of reporting imprecise or misleading data. That said, the report's findings are indeed based on a variety of publicly available data, as well as national and local survey data. All judgments found herein are to be attributed to the report's authors, not their informants.

As for those who don't share our vision of "reform" or believe in the entrepreneurial approach to rekindling American education, we look forward to your, ahem, analysis of our analysis.

Fostering entrepreneurial reform is no silver bullet, either. Also essential are quality teachers, rigorous academic standards, rich curricula, vibrant school choice, capable school leaders, data-based decision-making, astute governance, rational finances, and scads of other ingredients called for in the recipe for effective K-12 education. Many of these elements begin with sound, learning-centered, kid-oriented public policies and effective district (and state) leadership. But most of them also happen faster and better if those policies and leaders are open to innovation and assistance from entrepreneurs.

That's really the lesson of this report. America's most promising education hotspots *blend* sound "top-down" policies with environments that welcome entrepreneurial activity and private initiative. The welcoming becomes part and parcel of their public policies as well as their community culture. And their superintendents, chancellors, mayors, and other community leaders encourage and facilitate this blending because they understand that it works better than government alone, even though opening the door and ushering nontraditional folks through it causes dismay in the usual places.

Other communities could open their doors, too. And their children would benefit.

## Acknowledgments

Many people and organizations helped make this study possible. Our thanks go to the Walton Family Foundation for its support of Fordham's work on charter schools and school choice, and to the Achelis Foundation, The Boston Foundation, Richard M. Fairbanks Foundation, Inc., and Houston Endowment Inc. for their support of this project in particular. This study was also supported in part by our sister organization, the Thomas B. Fordham Foundation.

Special thanks to Rick Hess, who is not only one of America's foremost education scholars but also a longtime friend. This report is the latest in a lengthening series of insightful studies that he has contributed to or conducted for Fordham, including an analysis of collective bargaining agreements in large school districts (*Leadership Limbo*, 2008) and thought pieces on the uses of education data (*A Byte at the Apple*, 2008) and on school superintendents and the law (*From Schoolhouse to Courthouse*, 2009). Fordham-based coauthors Stafford Palmieri and Janie Scull also spent countless hours on this report from start to finish. Their attention to detail and perseverance are greatly appreciated. Michael Petrilli, Vice President for National Programs and Policy, offered plenty of guidance, solutions, and encouragement, as well as skillful editing.

We're thankful, too, for the hard work of many others on the Fordham team, including interns Charlotte Underwood, Hannah Miller, Jack Byers, Kyle Kennedy, and Saul Spady, public affairs director Amy Fagan, new-media manager Laura Pohl, copyeditor Erin Montgomery, and designer Bill Buttaggi.

# EXECUTIVE SUMMARY

This study evaluates how welcoming thirty American cities—the twenty-five largest and five smaller “hotspots”—are to “nontraditional” problem-solvers and solutions. It assumes that the balky bureaucracies meant to improve K-12 education and hold leaders accountable are so calcified by policies, programs, contracts, and culture that only in the most exceptional of circumstances can they be fixed simply by top-down applications of new curricula or pedagogy.

Enter the education entrepreneur, a problem-solver who has developed a different and—it is to be hoped—better approach to teaching and learning, either inside or outside the traditional school system. He or she may provide, among other things, a novel form of brick and mortar teaching, an alternative version of teacher recruitment or training, or time-saving software and tools that make for more efficient instruction and surer learning. Which cities would welcome and support such problem-solvers by helping to bring their ideas to scale, improve their odds of success, and nurture their growth? Put another way, which cities have the most reform-friendly ecosystems?

To answer this question, analysts examined six domains that shape a jurisdiction’s receptivity to education reform:

- 1 Human Capital:** Entrepreneurs need access to a ready flow of talented individuals, whether to staff their own operations or fill the district’s classrooms.
- 2 Financial Capital:** A pipeline of flexible funding from private and/or public sources is vital for nonprofit organizations trying to break into a new market or scale up their operations.
- 3 Charter Environment:** Charter schools are one of the primary entrees through which entrepreneurs can penetrate new markets, both as direct education providers and as consumers of other nontraditional goods and services.
- 4 Quality Control:** Lest we unduly credit innovation per se, the study takes into account the quality-control metrics that appraise and guide entrepreneurial ventures.
- 5 District Environment:** Because many nontraditional providers must contract with the district in order to work in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to deal with them in a speedy and professional manner can make or break an entrepreneur’s foray into a new market.
- 6 Municipal Environment:** Beyond the school district, is the broader community open to, even eager for, nontraditional providers? Consider, for example, the stance of business leaders, the mayor, and the media.

Drawing on publicly available data, national and local survey data, and interviews with on-the-ground insiders, analysts devised a grading metric that rated each city on its individual and collective accomplishments in each of these areas.

What did they discover? Few cities are rolling out the red carpet for education entrepreneurs. No cities were awarded As and just a handful of cities received Bs when measured for their hospitality towards reformers. The majority fell in the C range, half a dozen in the D to F range, and the remainder had too little data to judge (see Table 1, page 8). Low-scoring cities were characterized by lethargic district

**TABLE 1: Reform-Friendliness:  
Final Grades in Rank Order**

RANK	CITY	FINAL REFORM-FRIENDLY GRADE
1	New Orleans	B
2	Washington, D.C.	B
3	New York	B
4	Denver	B
5	Jacksonville	B
6	Charlotte	B
7	Austin	B
8	Houston	B
9	Fort Worth	B
10	San Francisco	C
11	Chicago	C
12	Dallas	C
13	Indianapolis	C
14	Memphis	C
15	Boston	C
16	Los Angeles	C
17	Baltimore	C
18	Columbus	C
19	Milwaukee	C
20	Newark	C
21	San Jose	D
22	San Diego	D
23	Albany	D
24	Philadelphia	D
25	Gary	D
26	Detroit	F
N/A	El Paso	no grade
N/A	Phoenix	no grade
N/A	San Antonio	no grade
N/A	Seattle	no grade

**TABLE 2: Reform-Friendliness:  
Final Grades in Alphabetical Order**

CITY	FINAL REFORM-FRIENDLY GRADE
Albany	D
Austin	B
Baltimore	C
Boston	C
Charlotte	B
Chicago	C
Columbus	C
Dallas	C
Denver	B
Detroit	F
El Paso	no grade
Fort Worth	B
Gary	D
Houston	B
Indianapolis	C
Jacksonville	B
Los Angeles	C
Memphis	C
Milwaukee	C
New Orleans	B
New York	B
Newark	C
Philadelphia	D
Phoenix	no grade
San Antonio	no grade
San Diego	D
San Francisco	C
San Jose	D
Seattle	no grade
Washington, D.C.	B



administration, inert political leadership, arcane staffing policies, and unsupportive (or silent) local business and philanthropic communities.

We also found that cities are making greater strides in some areas than others:

- They do best at drumming up sources of financial capital to advance reform: Nine cities earned As and ten earned Bs; support from outside the district is also strong, with municipal environment seeing nine As and eight Bs.
- They fare least well when it comes to district environment, where a third got Fs.
- Grades were generally mixed with respect to human capital, charter environment, and quality control.

Finally, substantial variation exists within states that had more than one city in the study. This suggests that entrepreneurial fate is not sealed by state lines: local officials, educators, and reformers can shape their own destiny.

- Of the four cities graded in California, San Francisco finished tenth overall while Los Angeles ranked sixteenth. San Jose and San Diego placed twenty-first and twenty-second, respectively.
- And in Texas, which had four cities in the final rankings, the spread in the national rankings was small, with Austin finishing seventh, Houston eighth, Fort Worth ninth, and Dallas twelfth.
- Less surprisingly, in Indiana, Indianapolis scored thirteenth nationally while Gary finished twenty-fifth; in New York, NYC finished third nationally, and Albany came in twenty-third.

# INTRODUCTION

Americans have tended to discuss school reform in terms of efforts to impose solutions on systems. Those solutions may involve new reading programs or pedagogies, site-based management or block scheduling, sometimes even new school configurations and models. While there's much variety among these reforms, they all arise from the view that improving K-12 schooling is mostly a task of superintendents, with the approval of their boards or mayors or whomever, successfully imposing the right mix of changes on the bureaucracies they lead.

The present study arises from a very different philosophy of reform. It presumes that many of these balky old bureaucracies are so calcified by policies and programs, contracts and culture, that they cannot be fixed simply by top-down applications of new curricula or pedagogies. It proceeds instead from the assumption that what reform requires is the opportunity for problem-solvers to devise and bring to scale better approaches to teaching and learning, whether inside or outside of school systems. What such endeavors need to put down roots and flourish are the conditions—"ecosystems," we call them—that invite problem-solving, welcome and support problem-solvers from all directions, improve the odds of success, and nurture and encourage growth.

Though policy plays a critical role in cultivating such opportunities, local ecosystems are not just about statutes, regulations, procedures, and formulae. An ecosystem perspective reflects a far more Tocquevilian vision. It assumes there are things that federal and state government (and even local government) cannot effectively do, and that a vibrant educational environment in which children and schools flourish demands substantial dollops of private and community activity. Such things can be encouraged but they cannot be mandated. Note that we are not fixed here on "buy-in" to a top-down reform plan, but rather on a vision in which entities like media, foundations, and private nonprofits each have distinct but essential roles to play. This study, then, examines how well America's largest cities provide dynamic education problem-solvers the opportunities, scaffolds, and other supports they need to succeed.

## Hard-to-learn lessons

School systems have tried for decades to emulate, import, or impose one heralded pilot site or program after another. Such efforts have mostly been earnest but rarely successful. They've been plagued by the barnacles that encumber today's school systems, including inefficient human resource departments, constrictive collective bargaining agreements, outdated technology, ill-designed management information systems, and other structural impediments.

Continuing in this mode does not bode well for our children. It's time to view education reform through different lenses and to clear pathways for other sorts of initiatives with greater odds of succeeding. In sector after sector, solving new problems—or more effectively tackling old ones—has been the province of new entrants.

But these ventures run into many hindrances on the ground. Some are formal barriers, others subtle, informal impediments. The formal kind include regulations that hamper the opening of a charter school, state licensure systems that make it costly and onerous for candidates to obtain teaching certification, and textbook approval systems so arduous that only the largest publishers are able to compete successfully. The informal kind includes political sniping, operational routines, and cultural norms.

Knocking down such obstacles is part of equipping problem-solvers to succeed—and too often that important work has been tackled in piecemeal fashion, often dependent on the reign of an outsized personality in the superintendent's office or the product of extraordinary circumstance (most famously, when Hurricane Katrina toppled most of the structures, arrangements, and norms that had long prevailed in New Orleans). But creating an environment in which problem-solvers can succeed entails more than knocking down barriers. It also entails fostering nimble, cooperative, and performance-oriented district and municipal governance; resources; talent; infrastructure; and sensible quality control.

### What does “nontraditional” mean anyway?

If the province of solving new problems is frequently the province of new providers, then such endeavors represent critical pieces of the school improvement puzzle. These new, specialized, and entrepreneurial providers are typically described by the umbrella term “nontraditional”—they operate outside the “traditional” system of school districts, colleges of education, and brick and mortar schools. However, these ventures are noteworthy not because they are “nontraditional” per se, but because they have been created free from the bureaucracy, aged arrangements, unwieldy contracts, multiplicity of cooks, and political interference that hamper traditional districts and programs.

Their roles vary: Some provide schooling options other than traditional district schools (e.g., charter schools, virtual education), others recruit or train teachers or leaders in alternative ways, and still others develop new tools, technologies, data systems, and learning aids that can help solve operational challenges or boost achievement. It can be useful to think of these endeavors as falling into three categories: school builders, talent providers, and tool builders.

Some of these ventures are marquee organizations like Teach For America, the KIPP Academies, Green Dot Public Schools, New Leaders for New Schools, and The New Teacher Project. But there are also several dozen less well-known enterprises such as Wireless Generation, National Heritage Academies, Smarthinking, Citizen Schools, Tutor.com, Schoolnet, CaseNEX, Citizen Schools, YES Prep, Aspire, and Teach Plus.

## Purpose

This study, then, asks not whether cities have embraced this or that promising organizational reform, new program, or widely hyped instructional model, but whether they are creating opportunities to solve problems and build smarter ventures. It identifies places where district and state policy makers and local reformers have gotten this right, partly right—or not at all right. It also provides a template for the kinds of changes that can help transform lethargic urban communities.

## We're talking to you...

This study is intended for three primary audiences.

- Funders and entrepreneurs looking to expand, and contemplating which cities to regard as alpha sites for reinvention.
- State and federal policy makers wanting to know which systems are leading the way, which need help, and what to do about it.
- Local reformers considering how their respective cities stack up and what they can do to make their communities more attractive to high-powered problem-solvers.

We examine and rank conditions in thirty cities.<sup>1</sup> While our primary focus is on each city as a complete community, we also examine conditions in the city's primary school district (typically the biggest). Oxygenating the environment for entrepreneurial reformers to breathe deeply is not the work exclusively of the school system, but of the entire community and all of its leading sectors. Rather than asking what's right or wrong with a city's schools, the question we investigate is whether the local ecosystem, including the primary school district, is configured to foster problem-solving and nurture excellence.

## Key elements of an entrepreneurial ecosystem

In this report, we focus on six metrics that help assess the vibrancy of a local ecosystem. They're based upon the framework sketched by coauthor Frederick M. Hess in his 2010 book *Education Unbound*.<sup>2</sup> They also borrow, in places, from the 2009 *Leaders and Laggards: A State-by-State Report Card on Educational Innovation*, coauthored by the U.S. Chamber of Commerce, the Center for American Progress, and Hess.<sup>3</sup> The six components span the availability of talent and other resources, the vitality of the charter sector, the attention to quality control, and the caliber of local political and district leadership.

1. While it may strike some as peculiar to rank cities in the manner we have here—on ecosystems rather than test scores—it shouldn't. Outside of education, analysts seeking to judge the best places to open or expand new ventures routinely compare states and cities when it comes to business climate, transportation, universities, the labor market, and the legal and political environment. What's peculiar is to *not* do this in schooling.

2. Frederick M. Hess, *Education Unbound: The Promise and Practice of Greenfield Schooling* (Alexandria, VA: Association for Supervision & Curriculum Development, 2010).

3. Center for American Progress, U.S. Chamber of Commerce, and Frederick M. Hess of AEI, *Leaders and Laggards: A State-By-State Report Card on Educational Innovation* (Washington, D.C.: Authors, 2009), [http://www.americanprogress.org/issues/2009/11/leaders\\_laggards/report.html](http://www.americanprogress.org/issues/2009/11/leaders_laggards/report.html).

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's foray into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## Methodology

This analysis examines the school-reform environments in the nation's twenty-five largest cities, plus five additional smaller communities. We reasoned that, as alleged "hotbeds" of reform, these five would permit comparisons of conditions in big cities with those of smaller but potentially more nimble locales. Ultimately, two of these cities did very well (Washington, D.C. and New Orleans, LA), while the other three (Newark, NJ, Albany, NY, and Gary, IN) did not.<sup>4</sup>

Our grades draw upon three types of data, beginning with extant information from reliable sources. These include, for example, earlier evaluations of state charter school laws, figures on Teach For America participation levels, and per-pupil spending figures. These data were typically obtained from large national databases and organizations (see Appendix A).

In many instances, however, the types of data we sought were not available at all, or for particular cities. So we also drew upon survey data gathered specifically for this study. Two online surveys were constructed and administered. The first was sent in late 2009 to senior leaders of sixteen national organizations that are actively involved in a number of locations across the nation, including at least a handful of our cities (see Appendix C for a partial list of organizations). These individuals oversee organizations that manage human capital pipelines, operate charter schools, develop educational technology and tools, or provide the private dollars that fund them. They were asked to comparatively rate, insofar as they are active in and/or knowledgeable about cities in our sample, such areas as the quality of district leadership, availability of local philanthropy, and support of the civic leadership.

The second survey obtained granular and city-specific data from reformers on the ground. It was designed for respondents with firsthand familiarity with local conditions. Whereas we asked national respondents to rate cities comparatively on various dimensions, local respondents provided more concrete and pointed information regarding reform infrastructure and school system behaviors in their own cities. In four areas—human capital, charter schooling, philanthropy, and local schools—we sought to identify at least one respondent in each sector in each city.

We used several methods to identify such respondents. For human capital and charter school respondents, we requested names from senior leaders at Teach For America and the National Alliance for Public Charter Schools. For philanthropic respondents, we requested names from leaders at a national philanthropic support organization, and then supplemented that list with organizations identified by the Foundation Center Directory as contributing to the education reform priorities of the American Recovery and Reinvestment Act 2009.<sup>5</sup> Repeated attempts to engage with appropriate senior-level school district

4. One obvious challenge in an exercise like this is the number of metrics on which sheer city size can confer an advantage. Larger cities are more likely to have attracted such nontraditional providers as The New Teacher Project or New Leaders for New Schools. They are also more likely to have large philanthropic communities and multiple charter authorizers. In that sense, smaller cities were playing against a stacked deck. But there are two provisos to keep in mind. First, smaller cities have off-setting advantages. It may, for instance, be easier in a small city to engage the business or philanthropic community in a focused effort or for the school district leadership to overhaul the bureaucracy. Second, the world is not a fair place. This is a report of the best and worst cities for school reform. If smaller cities or those in less geographically desirable locales have more trouble offering attractive environments or attracting talent, then, to quote a famous philosopher, "them's the breaks." Those are conditions that cities need to recognize and to do their best to overcome or offset.

5. See [http://foundationcenter.org/educationexcellence/top\\_lists.html](http://foundationcenter.org/educationexcellence/top_lists.html) (accessed September 15, 2009).



operations or procurement staffs were largely ignored, so local district staff were not included in the survey. A total of 150 individuals were invited to take the local survey over a six-week period in late 2009. The response rate for the local survey was 61 percent and for the national survey, 81 percent.

As with any study, it was necessary to choose a date at which data collection ended so that the authors could start to analyze, synthesize, and write up the findings. The findings reflect the state of the cities studied as of late 2009. As with any such exercise, therefore, the findings should be read with the appreciation that tracking and analyzing the school reform landscape is inevitably a moving target—and that, inevitably, there have been subsequent developments. There would likely be some variation in grades if data collection were to take place today. Our response to concerns on this score is twofold. First, this kind of lag is the price of doing business—whether the instrument is the National Assessment of Educational Progress or anything else. Second, this merely affirms the value of conducting this kind of analysis on a more regular and sustained basis.

### Note on Methods

There are many ways one can judge the reform-friendliness of cities (and districts), and we don't claim that the recipe we've baked here is necessarily the "right" one. It did allow us, however, to honor the localized nature of break-the-mold reform, which tends to unfold in particular cities rather than across states.

We're well aware that creating metrics with which to judge municipal environments, talent, or quality control is an inexact science. It's far cleaner and easier to rate cities on test scores and dropout rates than on whether they are creating conditions for entrepreneurialism. But we believe, for all its messiness, that this effort is well worth the bother. Test scores and graduation rates may tell us how well hard-pressed urban districts are carrying out essential tasks today, and whether they've improved over time, but they can't tell us how districts are positioned to succeed going forward—much less whether they are poised to energize local schooling or pursue transformational improvement.

That said, we make no claims that we have gotten the categories or the metrics just right, nor that we have precisely captured every detail about every individual city—most especially when these involve recent developments. As with any effort to rank cities on transportation, health care, livability, or economic prospects, this exercise turns on judgments about what matters and how best to measure those things. For those who find our premise and approach compelling, we trust they will find our effort to be fodder for reflection, debate, and reanalysis.

## Grading Metric

We evaluated our study cities along the six dimensions noted above and, within each of these, based our grades on a number of different criteria. (See Appendix A for the full methodology.)

### Human Capital

- To what extent have nontraditional teachers and administrators penetrated the city?
- How restrictive is the teachers' union contract when it comes to the recruitment, hiring, and firing processes of the local school district?
- How easy is it for entrepreneurs to find locally grown talent in this city?
- How easy is it for entrepreneurs to import talent to this city?
- How do district hiring processes support or interfere with the talent pipeline in this city?
- How do district termination processes support or interfere with the talent pipeline in this city?

### Financial Capital

- What is the per-pupil expenditure (adjusted for the cost of living) in the city's primary school district?
- Where is money most available? From philanthropic or public sources, or private investors?
- Does the local school district seek non-public dollars to further its reform ambitions?
- Are local dollars available in this city for nontraditional education reforms?
- Are national dollars available in this city for nontraditional education reforms?<sup>6</sup>
- What impact do philanthropic dollars have on nontraditional education reforms in this city?
- Does the district have a coherent vision for how to spend its dollars strategically?

### Charter Environment

- Are there any high-quality non-LEA charter school authorizers?
- Are charter schools funded fairly compared to traditional schools?
- To what extent have charters penetrated the market?
- What is the status of the state's charter school cap?
- What kind of non-district support exists for charter schools?
- Does the biggest authorizer in this city exercise effective authorizing practices?
- What type of funding is available for charter schools?
- Is there a charter support organization in this city? If so, is it quality-conscious?

### Quality Control

- How good is the state's longitudinal data system?
- How rigorous is the state test, compared to the National Assessment of Educational Progress (NAEP)?
- Are quality-control mechanisms used well in the city?
- Is there outside support for nontraditional reformers that acts as an additional check on their operations?
- Are there quality-control mechanisms in place in this city's primary school district?
- Is there organizational support for nontraditional providers in this city, either inside or outside the primary school district?

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6. Respondents were provided with a list of high-profile national foundations that contribute annually to education.

### District Environment

- Do students in the district have access to online schooling (via a state-run virtual school)?
- How easy or hard is it for providers to set up shop in this district?
- Does the teachers' union wield considerable influence?
- Does the district support nontraditional providers trying to set up shop?
- Does the local teachers' union hold tangible sway over district decisions and operations?
- Are district leaders visible and effective voices for reform in this city?
- Does the district operate in an efficient and/or innovative manner?

### Municipal Environment

- Is there a state-level education reform organization that supports nontraditional providers?
- How favorably, if at all, does the editorial board of the city's largest newspaper cover nontraditional reforms?
- Do municipal civic leaders, including the mayor, business community, and philanthropic community, have the political will to advance potentially controversial reforms?
- Do municipal civic leaders, including the mayor, business community, and philanthropic community, expend their respective political capital on nontraditional reforms?
- Does the local philanthropic community support nontraditional reforms?
- Does the local business community support nontraditional reforms?
- Are the editorial pages of the local papers supportive of reform?

## Grades

A city's final grade is the average of its performance in each of the six equally weighted areas noted above. In order for a city to receive an overall grade for "reform-friendliness," it had to have enough data in at least four of the six areas. Four cities—El Paso, Phoenix, San Antonio, and Seattle—did not meet this criterion and, consequently, do not have final grades.

All data were translated onto a 0-4 grading scale (see Appendix A). Table 3 shows the grading scale.

**TABLE 3: Grading Scale**

>3.0	A
2.50-2.99	B
2.00-2.49	C
1.50-1.99	D
<1.49	F

# FINDINGS

## The Nation's Best Cities for School Reform

While no cities earned an overall A grade, nine of them earned solid Bs—identifying them as America's most welcoming communities for nontraditional school reformers (Table 4). They are: New Orleans, Washington, D.C., New York City, Denver, Jacksonville, Charlotte, Austin, Houston, and Fort Worth.

TABLE 4: Top Nine Cities for Education Reform

CITY	FINAL REFORM-FRIENDLY GRADE	FINAL REFORM-FRIENDLY RANK	HUMAN CAPITAL		FINANCIAL CAPITAL		CHARTER ENVIRONMENT		QUALITY CONTROL		DISTRICT ENVIRONMENT		MUNICIPAL ENVIRONMENT	
			GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK
New Orleans	B	1	B	2	A	1	A	1	B	8	B	2	C	18
Washington, D.C.	B	2	A	1	A	2	A	2	B	5	C	5	C	19
New York City	B	3	B	3	A	8	B	10	B	2	C	8	B	13
Denver	B	4	C	5	A	7	B	8	C	14	C	10	A	4
Jacksonville	B	5	D	14	C	21	B	11	A	1	B	3	A	8
Charlotte	B	6	C	8	B	18	No Grade		C	11	A	1	C	22
Austin	B	7	C	7	A	5	C	13	B	4	C	4	B	12
Houston	B	8	C	9	A	4	C	16	B	3	D	13	A	9
Fort Worth	B	9	D	15	B	15	C	14	B	7	C	9	A	2

In **New Orleans**, Superintendent Paul Vallas, in partnership with State Superintendent Paul Pastorek and the private entity New Schools for New Orleans, has worked hard to rethink the role of a school district and to turn post-Katrina New Orleans into an entrepreneurial hothouse. New Orleans finishes in the top five cities in every area except quality control (where it ranks eighth) and municipal environment (where it is eighteenth), with respondents describing a city rife with philanthropic support, energetic talent, and a school district receptive to nontraditional providers.

**Washington, D.C.**'s chancellor Michelle Rhee has gone out of her way to recruit new talent and pull forward a recalcitrant district bureaucracy. D.C. finishes in the top five cities in nearly every area (other

than municipal environment), with respondents describing a city rich with talent, a district willing to work with high-performing outsiders, and substantial extra-district support for charter schooling and nontraditional providers. It tops the list for its human capital pipelines, while coming in second for availability of financial capital and its charter environment. At the same time, respondents note a lack of municipal support from outside the mayor's office and that Rhee's hard-charging style can be polarizing within the community.

**New York City's** mayor Michael Bloomberg, a fierce champion of school reform, has recently launched his third term and Chancellor Joel Klein, the high-profile and tenacious leader of the million-student system, is closing in on a decade. Their multifaceted efforts have transformed a district culture once lampooned for its bureaucratic inertia. New York finishes in the top five when it comes to human capital and quality control, with respondents noting the city's support for nontraditional providers and for the deep, readily available pool of talent. New York is also an example of how big cities can use their natural assets—such as appealing to young, educated professionals and the presence of philanthropic funders and wealthy individuals—to fuel and support new ventures.

While less celebrated than New Orleans and New York City, **Denver** is home to a number of notable developments in recent years. Under two successive and admired superintendents, Michael Bennet and Tom Boasberg, and aided by the steady support of reform-minded State Superintendent Dwight Jones, Denver helped lead the nation in rethinking teacher pay. After a slow start, it has created a vibrant charter school community and fared well in terms of financial capital and municipal environment—with respondents citing the impact of the generally supportive *Denver Post* and a focused philanthropic community.

While **Jacksonville** rarely receives notice when talk turns to reform-friendly environs, the findings suggest it may deserve a careful look. Jacksonville is described by national and local respondents as a community where support from business leaders, philanthropists, and the media make for a hospitable reform environment. Jacksonville also benefits from a strong educational infrastructure at the state level, including rigorous standards for the state test, a robust data system, and America's most expansive state-operated virtual school.

Perhaps the biggest surprise on this list is **Charlotte**, long recognized as home to the accomplished Charlotte-Mecklenberg School District, but which has generally not been considered a mecca for outside entrepreneurs. Charlotte fared best in district support—illustrating how an effective and well-run district can help ensure that nontraditional problem-solvers get a fair hearing and are judged on results.

Another surprise in this list may be **Austin**. This central Texas city has been celebrated for the successful decade-long superintendency of Pascal “Pat” Forgione and for rising student achievement, but generally not for its entrepreneurial K-12 community. Yet Austin stands out with its eye to quality control and welcoming district environment. It also benefits from generous funds invested locally by the Michael & Susan Dell Foundation and the contributions of a passel of wealthy former Dell executives. National and local respondents describe a district where leadership is outspoken in its support of reform, union influence is limited, and nontraditional providers find it easy to set up shop.

**Houston** is famed as the birthplace of two of the nation's most respected charter school chains—the KIPP Academies and YES Prep—as well as the home of the Houston Independent School District, which has taken substantial steps in areas like performance evaluation and accountability. Survey respondents note particularly strong organizational support for reformers from the nonprofit and philanthropic communities.

**Fort Worth** posted average ratings for the most part, with two exceptions: It boasts a particularly strong municipal environment, while its human capital pipelines are mostly stopped up. Survey respondents describe supportive business and philanthropic communities, and the *Ft. Worth Star-Telegram* evinces a strong pro-reform bias. A Broad Foundation-trained superintendent leads the district with a particular eye towards quality.

## The Middle of the Pack

Eleven cities earned Cs (Table 5, page 21). One of the “high Cs”—Chicago—is a familiar name in school reform circles. Meanwhile, San Francisco and Dallas do not typically make the reform radar, but likely deserve additional consideration. Scanning some of the other C cities, such as Boston and New-ark, remind us that hype must be tempered with reality when viewing cities through an ecosystems lens. Let's take a closer look at the top three “high Cs” and the bottom three “low Cs.”

**San Francisco** ranked low in terms of its district and municipal environments, but posted solid marks in the areas of human capital, charter environment, and quality control. The “talent” score might not surprise—given the presence of top-flight universities, San Francisco's innate appeal, and a strong Teach For America presence—but some of its other results are impressive. Especially when compared to several other California locales that fare much worse, the results suggest San Francisco is doing something right.

**Chicago** is known for Schools CEO Ron Huberman's—and even more so his predecessor Arne Duncan's—aggressive efforts to scrub away barriers that stifle new providers and focus on cost-effectiveness. Under Duncan's leadership, Chicago Public Schools was ambitious in its efforts to turn around low-performing schools, close failing schools, and launch charter schools through its Renaissance 2010 plan. Huberman has taken over that initiative, while tackling other issues such as teacher tenure.

**Dallas** received its lowest ranks in its financial capital reserves and municipal environment. The city struggles to overcome a leadership void at various levels—civic, political, and district. This has prevented bold movement on the education reform front, but as of late, an education reform conversation has begun to take off. Dallas also benefits from a relatively weak teachers' union.

**Columbus** did quite well in availability of financial capital—due both to its relatively high per-pupil expenditures and to its generous local philanthropic support—and in the reform-friendliness of its municipal environment. It fared poorly in securing talent. Its primary school district has some reform-friendly leanings, but they pale in comparison to many others in this report.

Similarly, **Milwaukee** has strong financial capital pipelines and a somewhat reform-friendly district



TABLE 5: Middling Cities: Those with a “C”

CITY	FINAL REFORM-FRIENDLY GRADE	FINAL REFORM-FRIENDLY RANK	HUMAN CAPITAL		FINANCIAL CAPITAL		CHARTER ENVIRONMENT		QUALITY CONTROL		DISTRICT ENVIRONMENT		MUNICIPAL ENVIRONMENT	
			GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK
San Francisco	C	10	B	4	C	22	A	3	B	6	F	17	B	16
Chicago	C	11	C	6	B	16	D	23	C	17	C	7	A	1
Dallas	C	12	D	12	B	14	No Grade		No Grade		C	6	B	15
Indianapolis	C	13	D	16	B	10	B	12	B	9	D	14	B	11
Memphis	C	14	D	13	B	13	C	18	D	22	D	16	A	3
Boston	C	15	C	10	B	12	C	15	B	10	F	26	A	6
Los Angeles	C	16	D	18	C	20	B	9	C	12	F	21	A	7
Baltimore	C	17	C	11	B	17	C	21	D	24	D	12	C	20
Columbus	C	18	F	23	A	9	D	22	C	16	D	15	A	5
Milwaukee	C	19	F	22	A	6	C	17	D	23	D	11	B	17
Newark	C	20	F	21	A	3	C	19	C	13	F	19	C	21

environment. But talent is not easy to come by in Brew City, nor is it easy to recruit outsiders to move there. Quality-control measures to gauge the success of Milwaukee Public School’s programs and vendors are weak; survey respondents report that the metrics that are in place are more likely to hinder than help their operations, and the district itself rarely uses data to make real-time adjustments to policy or practice.

And **Newark**, home to the recently launched, multimillion-dollar New Charter School Fund and dynamic, reform-minded mayor Cory Booker, nonetheless posted a mediocre performance across the board, with especially low marks for human capital. The city’s schools remain under state control, and the city faces myriad problems such as high unemployment rates and a looming budget deficit. Further, state law permits only the state commissioner of education to authorize charter schools and fails to provide them with adequate and equitable funding.

## The Nation's Worst Cities for School Reform

Six cities fared dismally in the final tally, with five Ds and one F (Table 6). They all fell short in multiple areas, demonstrating conditions inhospitable to dynamic school reform.

Two places that we had expected to do much better were the smallish cities of Albany and Gary, since both are known in particular as charter-friendly locales. Yet the data suggest that charter schooling in these communities has unfolded with limited support from the larger environment. **Albany**, for example, registered Fs when it came to human capital, district environment, and municipal environment. **Gary** also scored Fs in human capital and district environment. While each registered an occasional bright spot, the overall data depicted these communities as littered with political and practical obstacles to new providers.

Dollars are hard to come by in **San Jose** partly because California faces a severe budget crisis. The district environment in San Jose Unified School District is tainted by strong union resistance and leaders there are generally apathetic towards school reform (though a new superintendent may change that).

**San Diego's** human capital policies are anything but friendly to entrepreneurs, and the San Diego Unified School District—under sway of the local teachers' union—hampers reform within its perimeter. San Diego's charter sector, however, has fared well.

**TABLE 6: The Bottom Six: Cities Receiving Ds and Fs**

CITY	FINAL REFORM-FRIENDLY GRADE	FINAL REFORM-FRIENDLY RANK	HUMAN CAPITAL		FINANCIAL CAPITAL		CHARTER ENVIRONMENT		QUALITY CONTROL		DISTRICT ENVIRONMENT		MUNICIPAL ENVIRONMENT	
			GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK
San Jose	D	21	D	17	F	25	B	5	C	15	F	20	B	14
San Diego	D	22	F	25	C	23	B	7	C	19	F	23	B	10
Albany	D	23	F	20	B	11	B	6	C	20	F	25	F	24
Philadelphia	D	24	D	19	D	24	No Grade		C	18	F	22	C	23
Gary	D	25	F	26	B	19	C	20	C	21	F	24	No Grade	
Detroit	F	26	F	24	No Grade		No Grade		F	25	F	18	F	25

**Philadelphia's** D might catch some by surprise. After all, the City of Brotherly Love is home to a district that has been led by a couple of highly respected maverick superintendents in the past decade (Paul Vallas and Arlene Ackerman) and gained notice for innovations like contracting school operations and launching (with Microsoft) the much-discussed School of the Future. The results, however, place Philadelphia in the bottom five in terms of financial capital, district environment, and municipal environment. Local and national respondents see a large school district marred by partisan politics, unduly impacted by the Philadelphia Federation of Teachers, and lacking a coherent vision for reform.

Behind even Gary came the deeply troubled city of **Detroit**, which received Fs across the board. Given Detroit's abysmal student achievement and negative press in recent years, its ranking as the least reform-friendly city in this analysis is unsurprising. Despite reasonably high per-pupil expenditures in DPS, funding for reform is largely unavailable from public sources. Fortunately, philanthropies have lately begun to plug the holes. Though they long remained aloof to Detroit's deteriorating climate for years, now—with conditions so dire—disparate groups have come together to form a united reform coalition. These results suggest just how far they have to go.

## Taking A Closer Look

### Cities Matter

Is it useful to examine multiple cities in a state, or does the influence of state policy and climate mean that the results would be fairly steady across cities? In fact, we found variation—some more significant than others—*within* states (Table 7, page 24). In the four states with multiple cities in this study (California, Indiana, New York, and Texas), overall grades varied widely, and grades within individual categories varied even more. State lines, it seems, are not destiny: Good state laws can help, but strong local leadership and strategic investment can help one locale thrive where another, similarly situated, can stagnate.

The greatest variation is in New York State, where New York City achieved top marks while Albany received a D. New York City couples strong reform leadership with a wealth of local philanthropy and its deep talent pool. Meanwhile, Albany features a scrappy charter school community under the inspired leadership of Tom Carroll, but lacks strong district or municipal leadership or the deep pockets that abound in its more glamorous neighbor.

When comparing Gary to Indianapolis, the dynamic is similar. Indianapolis is a relatively large city with a troubled school district, but it is also home to concerted political and reform leadership by the likes of former mayor Bart Peterson and The Mind Trust honcho David Harris. Indianapolis features big-city amenities, including a successful NFL franchise, which tend to make it a more desirable place to live—thus easier to replenish its human capital pipelines. Gary lacks the size and stature of Indianapolis, and has lacked the entrepreneurial political leadership of its larger neighbor.

But states still matter, too. State policies influence the data or charter school environment in very direct ways. For instance, the federal Race to the Top program has usefully pushed states to lift caps on charter schools, modify teacher tenure laws, and demolish data “firewalls” that prohibit states from

TABLE 7: Within-state Variation

CITY	FINAL REFORM-FRIENDLY GRADE	FINAL REFORM-FRIENDLY RANK	HUMAN CAPITAL		FINANCIAL CAPITAL		CHARTER ENVIRON- MENT		QUALITY CONTROL		DISTRICT ENVIRON- MENT		MUNICIPAL ENVIRON- MENT	
			GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK	GRADE	RANK
CALIFORNIA														
San Francisco	C	10	B	4	C	22	A	3	B	6	F	17	B	16
Los Angeles	C	16	D	18	C	20	B	9	C	12	F	21	A	7
San Jose	D	21	D	17	F	25	B	5	C	15	F	20	B	14
San Diego	D	22	F	25	C	23	B	7	C	19	F	23	B	10
INDIANA														
Indianapolis	C	13	D	16	B	10	B	12	B	9	D	14	B	11
Gary	D	25	F	26	B	19	C	20	C	21	F	24	No Grade	
NEW YORK														
New York	B	3	B	3	A	8	B	10	B	2	C	8	B	13
Albany	D	23	F	20	B	11	B	6	C	20	F	25	F	24
TEXAS <sup>A</sup>														
Austin	B	7	C	7	A	5	C	13	B	4	C	4	B	12
Houston	B	8	C	9	A	4	C	16	B	3	D	13	A	9
Fort Worth	B	9	D	15	B	15	C	14	B	7	C	9	A	2
Dallas	C	12	D	12	B	14	No Grade		No Grade		C	6	B	15

<sup>A</sup>Although six Texas cities were included in the study, only four were graded due to lack of data. El Paso and San Antonio are omitted from the table.

linking teacher and student data. Such state-level changes have the ability to improve the health of local ecosystems in each affected city.

### The Impact of Collective Bargaining

Reformers often point to union influence and collective bargaining agreements as huge obstacles. So, how much does it matter whether a city is located in a right-to-work state? Here's one answer: Every city that receives a D or an F in this analysis is in a collective-bargaining state (Table 8). Meanwhile,

two-thirds of the top nine scorers (cities receiving a B) are located in right-to-work states (Table 9, page 26). All of the cities located in right-to-work states included in this study received a B or C, and none received a D or F.

Cities located in right-to-work states appear to have a somewhat easier time fostering hospitable entrepreneurial environments, though the presence of strong collective bargaining laws hasn't stopped some heavily unionized cities like New York City or Washington, D.C., from taking giant strides. The lesson? Reformers and district leaders should not use collective bargaining to explain or excuse an inhospitable environment.

**TABLE 8: Cities in Collective-Bargaining States**

CITY	STATE	FINAL REFORM-FRIENDLY GRADE	FINAL REFORM-FRIENDLY RANK
Washington	DC	B	2
New York	NY	B	3
Denver	CO	B	4
San Francisco	CA	C	10
Chicago	IL	C	11
Indianapolis	IN	C	13
Boston	MA	C	15
Los Angeles	CA	C	16
Baltimore	MD	C	17
Columbus	OH	C	18
Milwaukee	WI	C	19
Newark	NJ	C	20
San Jose	CA	D	21
San Diego	CA	D	22
Albany	NY	D	23
Philadelphia	PA	D	24
Gary	IN	D	25
Detroit	MI	F	26

**TABLE 9: Cities in Right-to-Work States**

CITY	STATE	FINAL REFORM-FRIENDLY GRADE	FINAL REFORM-FRIENDLY RANK
New Orleans	LA	B	1
Jacksonville	FL	B	5
Charlotte	NC	B	6
Austin	TX	B	7
Houston	TX	B	8
Fort Worth	TX	B	9
Dallas	TX	C	12
Memphis	TN	C	14

### Performance Across the Categories

Some areas prove to be more challenging for cities than others (Table 10). More cities do well in the areas of financial capital and municipal environment, for example, than they do in human capital and district environment.

**TABLE 10: Grades by Category**

GRADE	OVERALL GRADE	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
A	0	1	9	3	1	1	9
B	9	3	10	9	9	2	8
C	11	7	4	9	11	7	6
D	5	8	1	2	3	6	0
F	1	7	1	1	1	10	2



## Performance by Category

As is already clear, performance varied a great deal across the dimensions we examined—and individual cities tended to do much better in some areas than in others. Drilling down more deeply can be useful in two ways. One, it can help entrepreneurs, reformers, educators, and funders gauge which cities are doing especially well (or poorly) in areas of particular concern. Second, it underscores the fact that few cities are uniformly “good” or “bad” when it comes to reform; most have areas of both strength and weaknesses.

### Human Capital

This category measures the penetration of high-quality nontraditional recruitment programs, the flexibility of the local teacher-union contract, availability and utilization of talent, and the quality-consciousness of district personnel decisions. Cities that have made recruiting nontraditional talent and promoting more nimble management a priority, such as Washington D.C., New Orleans, and New York City, populate the top five (see Table 11). Also notable is Denver, home of the path-breaking ProComp collective bargaining agreement and one of the first districts to welcome The New Teacher Project. The cities that lagged (see Table 12) tend to be heartland communities that often encounter difficulty attracting talent and that were reported to have school systems that do not do a good job of utilizing talented employees.

The top four cities all have significant penetration by “brand-name” alternatively prepared teachers and administrators (limited for our purposes to the largest national alternative certification programs: Teach For America, The New Teacher Project, and New Leaders for New Schools). San Francisco posted the highest marks on both counts, and is the only city in the sample where brand-name alternatively prepared administrators make up more than 10 percent of school leaders. New York City had the largest absolute number of alternatively certified instructors—not surprising considering its size, but surprising in light of its history.

**TABLE 11: Top Five in Human Capital**

CITY	GRADE
Washington, D.C.	A
New Orleans	B
New York City	B
San Francisco	B
Denver	C

**TABLE 12: Bottom Five in Human Capital**

CITY	GRADE
Milwaukee	F
Columbus	F
Detroit	F
San Diego	F
Gary	F

New Orleans is the only city in the analysis without a collective bargaining agreement (the city's teachers' union was unable to reorganize after Hurricanes Katrina and Rita).<sup>7</sup> This yielded obvious opportunities in regard to workforce flexibility. The other four top-scoring cities got middling grades on this measure. In addition, survey respondents gave the New York City and San Francisco school districts low marks for their stringent obeisance to “last hired, first fired” rules in making personnel decisions.

The five lowest performers all lost points due to the rigidity of their collective bargaining agreements. Milwaukee, San Diego, and Gary, in particular, were dinged for a dearth of local talent and failure to compensate via outside recruitment. All five cities have either zero or limited penetration of brand-name alternative certification programs. (Note, though, that Milwaukee opened its doors to these programs relatively recently—2009 for TFA, 2008 for TNTP, and 2006 for NLNS—and appears to be moving in a more fruitful direction; Detroit reopened its doors to TFA in 2009, while Gary is a small part of Chicago's TFA placement area.)

### Financial Capital

Funding is essential fuel for launching and sustaining any venture—whether it is public dollars from government, investments by profit-seekers, and/or contributions by philanthropists. While reformers (including the coauthors) have been critical of undisciplined district spending, it is also true that high levels of state and district per-pupil expenditures make locales more attractive to problem-solvers seeking to launch new schools or to provide services to districts. Cities here are evaluated on their per-pupil funding, the presence of local philanthropic investment, and the district's commitment to pursuing philanthropy to promote reform efforts, among other areas.

Familiar names—D.C., New Orleans, Austin, and Houston—topped this category (see Table 13, page 29), along with one surprise. Newark, which performed poorly overall, got high marks due to its generous state support and per-pupil funding, and to the catalytic role of the deep-pocketed Newark Charter School Fund that launched in 2008. The bottom five cities (see Table 14, page 29) include three California locales, all of which suffer due to California's meager per-pupil funding.

Top-performing cities shared several factors. National respondents characterized their district leadership teams as proactive in seeking funding to advance reform. All five have both national and local philanthropies funneling funds into nontraditional providers; in point of fact, the Bill & Melinda Gates Foundation is active in all five locales. All but Houston ranked relatively high when it came to per-pupil spending. Local survey respondents did tweak Newark for lacking a coherent vision for spending but also noted that nontraditional reforms receive their fair share of philanthropic dollars and that philanthropies have been a positive influence on the city's reform aspirations.

7. The school district used in the study for New Orleans was the Recovery School District since it oversees the vast majority of its schools. Orleans Parish Schools (OPS), the other district in NOLA, existed pre-Katrina but runs only a small number of schools today. Neither the Orleans Parish School Board, which oversees OPS, nor the Recovery School District has a collective bargaining contract with the United Teachers of New Orleans.

**TABLE 13: Top Five in Financial Capital**

CITY	GRADE
New Orleans	A
Washington, D.C.	A
Newark	A
Houston	A
Austin	A

**TABLE 14: Bottom Five in Financial Capital**

CITY	GRADE
Jacksonville	C
San Francisco	C
San Diego	C
Philadelphia	D
San Jose	F

Of the cities that fared worst in this realm, none has very high per-pupil expenditures. National respondents also characterized them as generally lacking “venture” dollars from public or private sources. San Diego fared especially poorly for the district’s lack of coherent vision when it comes to spending decisions, and for district lethargy in securing additional funding for reform.

### Charter Environment

Reformers in some communities have made great strides in recruiting and cultivating high-performing charter schools, actively policing their quality, and helping them secure funding and facilities. Further, some states have nurtured authorizing and statutory environments conducive to supporting charter school excellence. These are the types of indicators measured in this category.

Two cities with exceptionally large percentages of students enrolled in charters, New Orleans and Washington, D.C., finished in the top five (see Table 15, page 30). Especially notable in New Orleans is New Schools for New Orleans, a nonprofit enterprise that has helped recruit promising charter operators and secure facilities, cultivate local relationships, and incubate new operators. Top-five finishers are also notable for their generally strong state charter environments, the presence of multiple authorizers, and the availability of resources and support.

Among the top five, only New Orleans was located in a state that the National Alliance for Public Charter Schools considers a healthy authorizing environment (with multiple authorizers, adequate state funding, and rigorous rules for authorizer quality).<sup>8</sup>

The worst-performing cities for charter school environment also display some common features (see Table 16, page 30). In none do charters serve a significant percentage of the pupils in the city’s primary school district. Three jurisdictions (Gary, Baltimore, and Chicago) were marked down due to lax state-level support and oversight of authorizers. Seattle’s abysmal grade here is unsurprising, considering that it’s located in a state with no charter law.

8. The others are New York, Ohio, Michigan, and Louisiana. For more information, see *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

**TABLE 15: Top Five in Charter Environment**

CITY	GRADE
New Orleans	A
Washington, D.C.	A
San Francisco	A
Phoenix	B
San Jose	B

**TABLE 16: Bottom Five in Charter Environment**

CITY	GRADE
Gary	C
Baltimore	C
Columbus	D
Chicago	D
Seattle	F

### Quality Control

The quality-control category includes measures of the rigor of state accountability systems, the comprehensiveness of data systems, district attentiveness to quality considerations, and the extent of local support geared to ensuring the quality of new providers.

Top cities boasted effective local- and state-level quality-control mechanisms (see Table 17). Jacksonville, Houston, and Austin are in states that earned accolades from the Data Quality Campaign for their data systems.<sup>9</sup>

Those cities with lackluster quality control tended to fare poorly across both state and local metrics (see Table 18). Memphis, Milwaukee, and Detroit fared poorly due to state performance systems that yield remarkably inflated estimates of student proficiency when compared to NAEP. All five cities are located in states that did poorly on the Data Quality Campaign rating system. The one area where bottom-five finishers did fairly well was assistance for nontraditional providers, as several of these cities boast an organization that helps tool builders or charter operators navigate tricky district regulations. Memphis, Milwaukee, and Detroit fared well on that score, though it was not enough to compensate for other weaknesses.

**TABLE 17: Top Five in Quality Control**

CITY	GRADE
Jacksonville	A
New York City	B
Houston	B
Austin	B
Washington, D.C.	B

**TABLE 18: Bottom Five in Quality Control**

CITY	GRADE
Gary	C
Memphis	D
Milwaukee	D
Baltimore	D
Detroit	F

9. For more information, see [www.dataqualitycampaign.org](http://www.dataqualitycampaign.org).

Memphis deserves a special note here, given that Tennessee took ambitious steps in late 2009 and early 2010 in pursuit of federal Race to the Top funds. Those efforts, as well as Tennessee's admirable data and accountability framework, helped the state become one of only two first-round RTT winners. As noted in the Methods section, reports such as this always offer a snapshot at a given point in time, and subsequent developments mean that picture will inevitably be imperfect. Memphis's results are a particularly good example of how these findings ought to be interpreted in light of changing circumstances—especially because the aim of the study is to spur precisely the kind of measures that would result in higher scores and rankings.

### District Environment

This category gauges districts' organizational capacity to do business with nontraditional reformers speedily and professionally.<sup>10</sup> We considered both formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

Entrepreneurial providers consistently point to district leadership as critical in determining whether a particular community is a promising place to set up shop. Leading cities include Austin, Jacksonville, and Charlotte, as well as, once again, D.C. and New Orleans (see Table 19). In D.C., Chancellor Michelle Rhee has aggressively courted nontraditional providers of teachers and principals, while recruiting charter school operators to help tackle "turnaround" schools.

In the high-scoring cities, teachers' unions are generally described as having limited sway over district decisions. In New Orleans, the union is neutered (and has no contract with the Recovery School District). In Charlotte, local respondents note that the Charlotte-Mecklenburg Association of Educators is generally skeptical of reforms like charter schools, performance-based pay, or alternative certification, but that the import of this opposition is minimized by North Carolina's right-to-work law. Top scorers are home to districts where nontraditional providers find it easy to set up shop. Even there, however, respondents are hesitant to report that district leaders are highly visible or effective leaders for reform—with Washington D.C., led by outspoken chancellor Michelle Rhee, the only locality to post high marks on this count.

**TABLE 19: Top Five in District Environment**

CITY	GRADE
Charlotte	A
New Orleans	B
Jacksonville	B
Austin	C
Washington, D.C.	C

**TABLE 20: Bottom Five in District Environment**

CITY	GRADE
Philadelphia	F
San Diego	F
Gary	F
Albany	F
Boston	F

10. Typically the biggest school district, which was identified for respondents in each city, was evaluated. Obviously had we evaluated a different district than the one we did, the city's grade—in this area, and likely across the board—may have changed, for better or for worse.

In low-scoring districts, both local and national respondents tend to report heavy union influence and ill-managed central offices. National respondents also note that these are difficult places for new providers to launch operations (see Table 20, page 31). Philadelphia's district leaders, for example, are vocal about education reform, but have done little to turn rhetoric into reality. San Diego has churned through a series of superintendents since former chief Alan Bersin departed in 2005, which has stalled reform. Boston, too, has little to show for the heralded decade-long tenure of former superintendent Tom Payzant and the energetic efforts of Superintendent Carol Johnson. A strong union provides an obstacle at every turn, while the district struggles to turn good ideas into action.

### Municipal Environment

While the school-system environment is vital, so too is the larger municipal climate. Producers of all stripes migrate toward places where they feel welcome. In K-12, the attractiveness of the local ecosystem hinges on myriad factors, three of which are measured here: the presence of a significant state-level school reform advocate; the reform-mindedness of the local newspaper; and the support of the mayor, business community, and local philanthropists.

The reform-friendliest cities include two with education-focused mayors (Richard Daley in Chicago, who has control of the city schools, and Mike Moncrief in Fort Worth), one with an education advocate in the statehouse (State Senator Michael Johnson in Colorado), one with a philanthropic community particularly focused on reform (Memphis) and one with multiple state-level advocacy organizations (Columbus) (see Table 21). Cities with strong municipal environments also tend to have supportive media—local editorial boards that write favorably about nontraditional reforms and the city's efforts in this regard. These communities also tend to be backstopped by state-level advocacy organizations that fight for education reform in the capital and by supportive philanthropic and business communities.

Cities such as Philadelphia and Detroit, which have been hampered by chaotic local politics, populate the bottom five (see Table 22). Low scorers generally lack strong state advocates for reform and the local media tend to give their efforts the cold shoulder. Municipal, business, and philanthropic leaders are also less likely to expend political capital for entrepreneurs, which makes these communities less amenable to nontraditional reform.

**TABLE 21: Top Five in Municipal Environment**

CITY	GRADE
Chicago	A
Fort Worth	A
Memphis	A
Denver	A
Columbus	A

**TABLE 22: Bottom Five in Municipal Environment<sup>A</sup>**

CITY	GRADE
Newark	C
Charlotte	C
Philadelphia	C
Albany	F
Detroit	F

<sup>A</sup>There were no Ds in this category.

# IMPLICATIONS

These results highlight a persistent frustration among educational entrepreneurs: City and district environments make a difference. In the end, it doesn't much matter why or how changes in them occur—just that they do. So what is it that state and local leaders, including but not limited to those in school systems, need to do to make their communities more receptive to reform entrepreneurs? Here are five ideas.

**1. Knock down barriers.** These include formal legal and regulatory obstacles, such as licensure provisions that make it difficult or costly to operate nontraditional teacher training programs, contract provisions that prize tenure over talent, and procurement arrangements that effectively prevent entrepreneurs from doing business with the district. Or they can be informal impediments such as longstanding routines and district cultures. Simply removing contract provisions or state policies that stifle new providers will not ensure their emergence, but it is a necessary first step. Remember the first rule of entrepreneurship: It won't happen if it's prohibited.

**2. Build supports.** If traditional schools need support with technology, hiring, transportation, assessment, data analysis, and so forth, then entrepreneurs, who face those same challenges, in addition to breaking into new markets and building to scale, need all that help and more. New charter schools, for example, face the additional challenges of arranging for facilities and financing, marketing themselves, and negotiating local politics and the authorizing process. By designating offices or individuals charged with facilitating the work of nontraditional problem-solvers and identifying points of contact to help them negotiate challenges and access resources, district and municipal leaders can provide invaluable aid.

Meanwhile, locally grown independent entities like New Schools for New Orleans and Indianapolis's The Mind Trust provide essential material support, relationships, local expertise, and smart quality control. These outfits help identify and recruit promising school leaders and/or providers, assist them in securing funding, help clear away political and local obstacles, connect them to savvy advisors, and otherwise make immense challenges more manageable. Other communities would benefit by creating organizations that resemble them.

**3. Gather, use, and leverage data.** Without robust metrics by which policy makers, parents, and practitioners can compare their performance and cost-effectiveness to the status quo, nontraditional providers will struggle to prove their mettle. An entrepreneur may have a terrific solution for engaging parents, recruiting teachers, or tutoring English language learners, but be unable to get traction without tangible evidence of that solution's impact. Measures of performance and cost-effectiveness also provide a powerful safeguard against snake-oil peddlers. As coauthor Hess and Harvard University's Jon Fullerton have noted in *The Numbers We Need*, metrics that accurately reflect the good or service in question are crucial, whether it's improved principal selection, more useful data tools, or enhanced foreign language instruction.<sup>11</sup> Test scores and graduation rates alone won't cut it.

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11. Frederick M. Hess and Jon Fullerton, "The Numbers We Need: Bringing Balanced Scorecards to Education Data," *Phi Delta Kappan* 90, no. 9 (May 2009): 665-69, <http://www.kappanmagazine.org/content/90/9/665.abstract>.



**4. Think outside one's own backyard.** School improvement suffers from the expectation that school and district personnel will hand-craft solutions to all of their instructional, staffing, and operational challenges, as if everything is *sui generis*. Part of what's valuable about nontraditional providers is their ability to think beyond the individual school or district. In fact, many specialize in pyramiding expertise across multiple locations. That's what New Leaders for New Schools and The New Teacher Project, for example, have done in staffing, and what Wireless Generation and Schoolnet have done in the area of data and technological tools. Districts could do vastly more to identify experienced specialists at work in other places to help solve thorny problems, leverage such assistance, and integrate such relationships into district and school routines.

**5. Flex your political muscles.** Doing any of this hinges on political support. Public education is a public enterprise. The lion's share of the funding is public. The rules—and accountability systems—are made by public officials. Yet the nature of public bureaucracies is that inertia tends to prevail. State and local policies that may have made sense at one point may now do more harm than good. Yet these laws, regulations, and contract provisions have no expiration date and will not fade of their own accord. Remaking them, however, along with the norms and expectations that have grown up around them, is hard, messy, political work. It requires advocacy, the cultivation of community support, philanthropic backing, and efforts to win over media and opinion makers. More than anything else, it needs a voice for reform that can counter the agenda of the teachers' union.

## Final Thoughts

In recent years, reformers seeking to remake urban schooling have gained some traction—and can show some results. But the modest reading and math gains visible so far, laudable as they are, don't come close to being sufficient. Cities that are serious about renewing their K-12 education systems must be prepared to act boldly. This means making room for new problem-solvers, and their tools, talent, and technologies.

America's leading reform cities have begun that transformation. Schooling in locales like New Orleans, Washington, D.C., and New York City already bears a visibly more dynamic and entrepreneurial cast than it did a decade ago. And while even these cities still have a long way to go, many other locales have not even gotten started. Which leaves them hoping against experience that another in a series of superintendents will turn out to be the miracle worker.

The challenge is to do profoundly better. Whatever the merits of steady efforts to improve professional development and tweak curricula, they are unlikely to deliver dramatic gains in performance or major new efficiencies. In education, as in so many other walks of life, that work will fall upon the shoulders of problem-solvers with the flexibility to tap new tools and talent, to approach stubborn challenges in fresh ways, and who are free to paint on a blank canvas. America's most educationally successful cities, in 2020 and beyond, are going to be those that embrace and foster these efforts.

# ALBANY, NEW YORK | Grade: D (23rd of 26 cities)

## How reform-friendly is Albany?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	20 of 26	11 of 25	6 of 24	20 of 25	25 of 26	24 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Albany and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the City School District of Albany.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

As the capital of New York State, **Albany** is exposed to a larger education-reform conversation than many other cities in this report. Unfortunately, this exposure does little to advance reforms or reformers in the city itself, which is home to a particularly recalcitrant school district, and has limited access to local or

imported talent. The city has benefited from the heroic efforts of the philanthropic community, which has worked to increase the number of high-quality charter schools in particular. Still, this has been an uphill battle, and the charter sector alone is not enough to overcome Albany’s other shortcomings.

### Race to the Top update: New York—New York City

New York applied for round 1 of Race to the Top funding and was selected as a finalist, but ultimately did not win. The state reapplied for round 2 and was again named a finalist. In advance of the competition, legislators passed measures that: establish new teacher and principal evaluation protocols that allow for 40 percent of each evaluation to be based on student growth; raise the charter cap from 200 schools to 460 schools, with the provision that only 114 of the new schools can be located in New York City; allow financial audits of charter schools by the state comptroller; hold charter schools more responsible for enrolling and serving special needs students; and create a statewide charter school enrollment application.

1. This analysis examines the reform environments in the nation’s twenty-five largest cities, plus five additional smaller communities. We reasoned that, as alleged “hotbeds” of reform, these five would permit comparisons of conditions in big cities with those of smaller but potentially more nimble locales. In addition to Albany, NY, these smaller cities include Gary, IN; New Orleans, LA; Newark, NJ; and Washington, D.C. Our analysis of Albany was limited by a low response rate on the national stakeholder survey; therefore, those responses were not calculated into the rankings or final grade (see Methodology in Appendix A). Still, we include here information from the national survey responses that we did receive as well as publicly available data, local survey responses, and interviews.

2. This profile provides a snapshot of the data collected for Albany, New York, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

## Snapshot

Albany's **human capital** pipelines are narrow. The city lacks a local pool of education-reform talent, and recruitment from outside is difficult. As the state capital, Albany's workforce is comprised mainly of government employees, which encourages bureaucratic complacency (while upwardly skewing the population's average age). Albany is home to no brand name alternative certification programs; in fact, the closest alt-cert route of any kind is nearly an hour away in Saratoga Springs at Empire State College.<sup>3</sup> Teachers also labor under a highly restrictive collective bargaining agreement.

**Financial capital** pipelines also have limited capacity in Albany. The City School District of Albany (CSDA) spends an impressive amount per pupil when normed for cost of living. However, it has neither a coherent vision for those funds nor a willingness to spend on nontraditional providers or initiatives. National and local philanthropic dollars help make up the void. In the end, however, Albany's small size puts it at a disadvantage in real dollar terms against other cities in this report.

On the positive side, Albany's **charter environment** is healthy. New York law allows for multiple authorizers and holds them accountable for maintaining comprehensive and transparent application, monitoring, and review processes.<sup>4</sup> Charters are also reasonably well supported at the local level: Charter support organizations provide ample support, and the authorizer which oversees most local charters—the State University of New York—keeps an eye on quality when selecting and monitoring its schools. Still, Albany charters—and others across the Empire State—face significant hurdles obtaining facilities funding, as such funds are not adequately allocated by the state.

Outside of the charter sector, Albany's **quality-control** metrics are underwhelming. The state's data systems are fairly robust, but New York does not present its data in a user-friendly manner, which makes it difficult for those on the ground to use them.<sup>5</sup>

The **district environment** within CSDA leaves nontraditional providers wholly wanting. Not only are district leaders hostile toward reform, but the district's procurement office is not well managed or responsive. The district fails to support smart problem-solvers—favoring tenure over talent—and does not communicate a sense of urgency about reform. The teachers' union is also quite powerful and thoroughly change-averse.

Albany's **municipal environment** also leaves much to be desired. The editorial pages of the *Albany Times Union* tend either to support the status quo and/or come out against nontraditional reforms. Municipal leaders, too, seem unwilling to expend political capital on behalf of new education ideas. Though the local business and philanthropic communities are more willing to stick out their respective necks, especially in the charter sector, the city is not, as a whole, a receptive environment for entrepreneurs.

3. State alternative certification routes listed with the National Center for Alternative Certification, [www.teach-now.org](http://www.teach-now.org).

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Albany is home to a vibrant and growing charter sector, but a recalcitrant district and tepid municipal environment do not provide education entrepreneurs with proper support.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Austin?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	7 of 26	5 of 25	13 of 24	4 of 25	4 of 26	12 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Austin and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Austin Independent School District.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

Austin performed admirably according to our metrics. Readers may be surprised that Austin bested Houston (though the margin is slight), but the city’s philanthropies, especially, are a driving force for change through their collaboration with the Austin Independent School District (AISD). An influx of

national philanthropic dollars has further accelerated education reform. AISD, though it serves the majority of Austin’s students, is just one of several districts within the city, and there is little coordination or collaboration between them, or between any of the districts and the city government.<sup>2</sup>

### Race to the Top Update: Texas—Austin

Texas did not apply for either round of Race to the Top funding. Indeed, Texas governor Rick Perry has been a vocal critic of the competition, citing it as an example of federal overreach.

### Snapshot

Austin’s decent **human capital** performance would have been better were it not for AISD policies that prize tenure over talent. The city also has limited penetration by national programs—for example, it hosts The New Teacher Project (Texas Teaching Fellows), but not Teach For America. On the plus side, Austin is served by Region XIII Education Service Center, which has an alternative certification program. But the diffused nature of school governance in the city—multiple districts that don’t work together—means there’s no overarching vision for human capital development, which likely leads to the under-utilization of talent.

1. This profile provides a snapshot of the data collected for Austin, Texas, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

2. Austin Independent School District serves about 80,000 students of 300,000 in the entire Austin metro area.

**Financial capital** is robust if also disjointed in Austin. The city received high marks in this category, and AISD is aggressive in pursuing reform dollars. But investments tend to be isolated, since area districts don't work together. National respondents report that AISD leadership is proactive in seeking national dollars to further its reform ambitions, and that those dollars do support innovative ideas. But, as in many places, there is no city-wide vision for how to use funds strategically. Local respondents, especially, would like to see philanthropies collaborating with multiple districts on similar initiatives.

Austin has a respectable **charter environment**. Unlike some other cities in Texas, charters receive little district or city government support here, and the relationship between AISD and the charter schools within its boundaries has been rocky. All of the charter schools in Austin (which mostly serve AISD students, though enrollment is not restricted by district boundaries) are authorized by the state. (This could be beneficial, however, since Texas district-sponsored schools tend to have less autonomy and less impressive results than their state-authorized brethren.) Texas's charter law does not ensure equitable funding for these schools, and oversight for charter authorizers is mediocre.<sup>3</sup> On a more positive note, non-district support for charter schools in Austin is promising, particularly from the philanthropic sector.

**Quality control** is also a relatively strong area, for AISD at least. The district, which does not have a long history of solid quality-control metrics, recently adopted a new strategic plan that sets measurable achievement outcomes for students. At the state level, Texas's data system is of good quality and the state has done much to integrate that system with systems at the district level.<sup>4</sup> The state test, however, is not particularly rigorous when compared to the National Assessment of Educational Progress (NAEP).<sup>5</sup>

AISD's **district environment** is headed in the right direction. It benefits from a weak teachers' union, which means that the district has the purview and power to implement reforms. Local and national respondents describe a district led by individuals—Pascal ("Pat") Forgione for many years, now Meria Carstarphen—who are outspoken in their support of reform and where nontraditional providers find it easy to set up shop.

Vocal support from the business, philanthropic, and even nonprofit communities boosts Austin's **municipal environment**. The city also benefits from the presence of the Texas Institute for Education Reform, a state-level advocacy organization. Though AISD's Carstarphen has made collaboration with the philanthropic, business, and nonprofit communities one of her priorities, entrepreneurs will still have to deal with numerous un-collaborative districts if they wish to take their reforms to scale. The city government has little to do with education and is not a vehicle for reform.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

5. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

## Bottom Line

Austin should be on an entrepreneur's short list of new locales: It finishes in the top twelve in most categories that we examined. With strong funding avenues, and respectable district environs and quality-control metrics, the city is a mostly welcoming host to nontraditional providers.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertained to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.



## How reform-friendly is Baltimore?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	11 of 26	17 of 25	21 of 24	24 of 25	12 of 26	20 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Baltimore and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Baltimore City Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

The school reform conversation in **Baltimore** in 2010 revolves around one man: Baltimore City Public Schools (BCPS) CEO Andres Alonso. Alternately described as a whirlwind for change and overbearingly authoritarian, Alonso has led recent and dramatic efforts to improve district schools, and positive “buzz” created by him has drawn new providers and reform-minded philanthropies to the scene. Unfortunately, Alonso’s bold leadership runs up against a recalcitrant bureaucracy and hostile local teachers’ union, which together can retard or even block much-needed reform.

### Race to the Top Update: Maryland—Baltimore

Maryland did not apply for round 1 of Race to the Top, but did apply for round 2 and was chosen as a finalist. Legislation passed in advance of the competition overhauled teacher compensation policies: Student progress is now to account for 50 percent of teacher evaluations; teacher tenure can only be acquired after three rather than two years; and teachers working in the lowest-performing 5 percent of schools in the state can earn differentiated pay (although this clause hinges on the state winning RTT funds).

1. This profile provides a snapshot of the data collected for Baltimore, Maryland, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).



## Snapshot

Though Baltimore's **human capital** pipeline is in respectable shape, a strong union threatens to clog it up. The city hosts three national alternative certification programs—Teach For America, which has placed corps members in Baltimore since 1992; The New Teacher Project (Baltimore City Teaching Residency); and New Leaders for New Schools. Unfortunately, a restrictive union contract means that talent is not deployed in the most efficient manner; tenure, not quality, dominates teacher staffing decisions.<sup>2</sup>

**Financial capital** in Baltimore suffers from a lack of national philanthropic interest. BCPS per-pupil expenditures are average among cities in this analysis, and local philanthropies ensure that nontraditional reforms get their fair share of dollars. But the city does not attract much attention from national donors. Alonso's personality may be at the root of this dynamic: Though he has a purposeful plan for the city, his top-down approach may alienate outside funders.

The **charter environment** in Baltimore is mixed. On the one hand, Maryland has no charter cap, and survey respondents report that charter funding is not impossible to obtain. Yet state law only allows local education agencies to act as authorizers (and the state board of education in rare circumstances) and provides little support for and oversight of authorizers.<sup>3</sup> Charter oversight at the local level is equally spotty. BCPS is selective in choosing which schools to approve—but it is somewhat less quality-minded about intervening in those that struggle or fail. (It recently denied a charter renewal for the first time.)

**Quality control** is certainly not Baltimore's strong suit. This is partly a consequence of weak state data systems and a mediocre statewide assessment.<sup>4</sup> Further, the quality control mechanisms that exist in the city are not used well. Guidance inside and outside of BCPS is insufficient for nontraditional providers attempting to navigate finances, facilities, and regulatory guidelines.

Baltimore's **district environment** benefits from its bold leadership but is tinged by inefficient operations and a reform-averse local teachers' union. Alonso and his team communicate a sense of urgency about reform, make bold decisions, and currently enjoy the political backing they need to make changes happen. But management of the central office is often sluggish and unresponsive. This, combined with an influential and recalcitrant union, can pose significant obstacles to nontraditional providers.

Baltimore's **municipal environment** also has pros and cons. While local philanthropic and business communities are supportive and willing to expend political capital to fortify that support, the mayor's office does not engage deeply in education reform. Further, the editorial pages of the *Baltimore Sun* offer but tepid support when it comes to nontraditional reforms—though the media as a whole appear more reform-friendly.

2. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf). See also: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

## Bottom Line

Baltimore provides a lukewarm reception for nontraditional providers. Though the city enjoys the support of a dynamic CEO and generous philanthropic community, an inefficient school district, coupled with a strong union and disinterested municipal government, means that this community places significant hurdles before entrepreneurs.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Boston?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	10 of 26	12 of 25	15 of 24	10 of 25	26 of 26	6 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Boston and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the Boston Public Schools.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

Massachusetts is well known for its taut embrace of standards-based reform, with very positive academic results to show for it. But what about Boston itself, and education entrepreneurship? The latter has been slower to take hold, but there are signs that the reform stars are aligning in Beantown. Boston Public Schools (BPS), having enjoyed the decade-long tenure of well-regarded superintendent Thomas Payzant, is now headed by the energetic leader Carol Johnson. This spring, Governor Deval

Patrick, once a stumbling block to the state’s charter-school movement, was prompted by the Race to the Top competition to support legislative changes (see sidebar). Locals report that the reform climate in Boston has improved as a result of these changes: “There’s a window of opportunity,” one said, “a different smell in the air...broad trends are changing.” One can only hope.

### Race to the Top update: Massachusetts—Boston

Massachusetts applied for round 1 of Race to the Top funding and was chosen as a finalist, but lost. It reapplied for round 2 and was named a finalist. In January 2010, legislators passed a bill that created a “smart cap” on charter schools (which increased the funding available for charters in low-performing districts and got rid of the state’s charter enrollment cap); provided for Innovation Schools (in-district quasi-charters); and delineated procedures for how superintendents can take over failing schools.

1. Our analysis of Boston was limited by a low response rate on the local stakeholder survey; therefore, those responses were not calculated into the rankings or grade (see Appendix A for Methodology). Still, we include here information from the local survey responses that we did receive as well as publicly available data, national survey responses, and interviews.

2. This profile provides a snapshot of the data collected for Boston, Massachusetts, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

## Snapshot

Boston's **human capital** pipelines are average, but not because of “average” talent in the city. National respondents report that Beantown has plenty of smart, capable folks to staff classrooms, and recent research confirms this sentiment.<sup>3</sup> Still the city receives low marks due to meager penetration of brand name alternately trained teachers and principals. It took a highly publicized battle with the Boston Teachers Union in spring 2009 before Teach For America could install its first Boston cadre, now numbering just twenty. That said, BPS has its own well recognized alternative route to licensure, the Boston Teacher Residency, which trains pre-service teachers alongside experienced mentors.

**Financial capital** is not hard to come by in Boston. Respondents indicate that the city gets its fair share of philanthropic dollars to advance nontraditional reforms. In addition, Boston Public Schools maintains fairly high per-pupil expenditures compared to other cities in this analysis, and is willing both to spend its own money on nontraditional reforms and to seek outside funding to advance them.

Boston's **charter environment** could stand some improvement. The city hosts a number of high-performing charter schools, such as Roxbury Prep, MATCH, and Edward W. Brooke, and the state's single authorizer, the state board of education (SBE), is known for being particularly selective. BPS also has over twenty “pilot schools” which enjoy more autonomy than do traditional schools. Still, SBE's selectivity, combined with a restrictive charter law, make entrance into the Bay State charter market quite difficult.<sup>4</sup>

Boston's strongest performance in the **quality-control** component is the caliber of its state test, the Massachusetts Comprehensive Assessment System (MCAS), whose rigor rivals that of the National Assessment of Educational Progress (NAEP).<sup>5</sup> The state's overall data system, however, is less impressive. Though it has many of the essential elements of a strong data system, such as the ability to track individual students' scores from year to year, the state has yet to present the data in a user-friendly way or to link its multiple data systems together.<sup>6</sup>

Boston's **district environment** presents a stumbling block to entrepreneurs. The takeaway is this: Actions speak louder than words. The district speaks out for education reform, but it has done little to advance significant change. This is partially due to the style of the superintendent—passionate, but less hard-hitting—as well as the undue sway the teachers' union holds over district decisions.

3. See the National Council on Teacher Quality's *Human Capital in Boston Public Schools: Attracting and Retaining Effective Teachers* (Washington, D.C., 2010). It found that two-thirds of new teachers hired in Boston in 2008-2009 attended “more selective” or “most selective” colleges, as ranked by *U.S. News & World Report*.

4. That said, the quite restrictive statewide charter cap was lifted in January 2010 (after our data collection period). Unfortunately, a number of restrictions remain: The state still caps *by district*, and though this was partly ameliorated by doubling the allotment (from 9 to 18 percent of students) in low-performing districts, SBE only authorizes two to three schools a year. So opening a charter school in Massachusetts, even in Boston—which is considered a low-performing district—is still difficult.

5. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

6. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

Support for education reform in the **municipal environment** is much more promising. The philanthropic and business communities are willing to speak out for education reform, as is the mayor, of course, since he (Tom Menino) has mayoral control of schools. Boston also boasts reform-friendly media; the editorial pages of the *Boston Globe* typically support charter schools, alternative certification, and performance-based pay.

### Bottom Line

Boston is a middling locale for education entrepreneurship. City leadership is dynamic and strong; funding avenues are relatively wide; and the city's human capital pipelines and charter sector are improving. But charter authorizing policies, state data systems, and the district environment in Boston Public Schools all need more of a reform makeover.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

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**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Charlotte?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	8 of 26	18 of 25	N/A	11 of 25	1 of 26	22 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Charlotte and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Charlotte-Mecklenburg Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*Our analysis of Charlotte was limited by a low response rate on the local stakeholder survey. This resulted in too few indicators to calculate a ranking for Charter Environment (see Appendix A for Methodology). Still, we include here information from the local responses that we did receive as well as publicly available data, national survey responses, and interviews.*

The education reform narrative of **Charlotte** illustrates the nuanced district-state relationship that is so key to education reform. Charlotte-Mecklenburg Schools (CMS) is at the forefront of reform in North Carolina, but the district is held back by state-level restrictions such as a too-tight charter cap. On the other hand, CMS finds some reforms eased by its location in one of a few right-to-work states considered in this study. It also benefits from a countywide district—Charlotte is but one city encompassed by CMS—that participates in a larger reform conversation not limited by Charlotte’s borders. While this

setup could engender discord between the city and school district, Mayor Anthony Foxx and Superintendent Peter Gorman are on the same philosophical page when it comes to education reform; indeed, Foxx has taken to the bully pulpit more than once to support some of the innovations emerging from Gorman’s office, which include efforts to attract and support talent.

### Race to the Top update: North Carolina—Charlotte

North Carolina applied for round 1 of Race to the Top funding and was chosen as a finalist, but ultimately did not win. The state reapplied for round 2 and was again chosen as a finalist. In advance of the competition, North Carolina passed legislation that creates a mechanism for local school boards to reform low-performing schools (according to the four turnaround models delineated in the federal School Improvement Grant program).

1. This profile provides a snapshot of the data collected for Charlotte, North Carolina, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).



## Snapshot

Charlotte's **human capital** pipelines are decent. Local talent is available, though not abundant, and recruitment to the city is possible with a little effort. CMS—under Superintendent Gorman's leadership—has worked to attract outside talent. The district places Teach For America teachers and hosts its own principal certification program; it also welcomed New Leaders for New Schools in 2009. There is no teachers' union per se in CMS, and collective bargaining agreements are explicitly illegal; but a local professional teachers' association operates under a fairly flexible "handbook" which serves somewhat the same purpose (a statewide teachers' association is also located in Charlotte).<sup>2</sup>

Charlotte's **financial capital** pipelines are middling. The philanthropic communities, both national and local, have a positive influence on education reform efforts. CMS leadership is disciplined and proactive in seeking financial support for such efforts. Yet it does not have a coherent vision for spending its dollars; and despite the positive influence of private sector dollars, CMS per-pupil funding is none too generous.

The **charter environment** in Charlotte is poorly supported at the state level. North Carolina maintains a restrictive charter law, including a tight cap on the number of schools, inadequate charter funding, and insufficient attention to authorizer quality and practice.<sup>3</sup> Just 3 percent of public school students in CMS are enrolled in charters.<sup>4</sup>

Attention to **quality control** is fair in Charlotte. North Carolina operates an impressive longitudinal data system that can track teacher-student data, as well as outcome data across multiple years. The state also makes an effort to present data in a user-friendly manner.<sup>5</sup> Survey respondents report, however, that CMS is intermittent in its use of quality-control metrics to drive reform.

CMS gets top marks for **district environment**, though it had some help: A teachers' association that cannot bargain collectively is not much of an adversary. Besides that, however, district leadership deserves credit for communicating a sense of urgency about reform, and rewarding smart problem-solvers rather than time-servers. CMS leaders also make bold decisions on potentially controversial reforms—and have the political capital to make them stick.

Charlotte's **municipal environment** is likely better than its rank suggests. Low response rates for the local survey meant those data were not included, even though they were fairly positive—and other indicators had to carry more weight. The business, philanthropic, and media communities evince relatively strong support for reforms such as alternative certification, charter schools, and performance-based pay. In addition, municipal leaders such as Mayor Anthony Foxx have gone out on a limb for education reform and have been relatively successful in so doing. Yet North Carolina does not have a reform-oriented state-level education advocacy organization to partner with city leaders.

2. For more information, see: National Council on *Teacher Quality, Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).



## Bottom Line

Charlotte has much going for it. Between its countywide district configuration, strong district leadership, abundant financial capital pipelines, and a weak teachers' union, it is an appealing destination for some entrepreneurs. But not charter-school entrepreneurs, who should proceed with caution since they'll have to deal with unsatisfactory state charter laws.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

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**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Chicago?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	6 of 26	16 of 25	23 of 24	17 of 25	7 of 26	1 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Chicago and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Chicago Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Chicago’s** longstanding and abysmal achievement and graduation rates have catalyzed education reform—especially via the municipal sector—for more than a decade. But it’s still an uphill battle, with challenges such as school violence hindering gains on key performance indicators. (In June 2010, the city announced a \$25 million initiative to combat school violence.)

Since 1995, Chicago’s schools have been under mayoral control—and under the same mayor, Richard Daley (elected in 1989). In 2004, Daley launched “Renaissance 2010,” an initiative to shut the city’s

worst schools and replace them with new higher-quality charter and district ones. The project spawned the Office of New Schools within the Chicago Public Schools (CPS) and, under former Schools CEO Arne Duncan and successor Ron Huberman, the city restarted or turned around ninety-two schools as of late 2009.

### Race to the Top Update: Illinois—Chicago

Illinois applied for round 1 of Race to the Top funding. It was chosen as a finalist, but ultimately lost, despite enacting a teacher and principal evaluation bill that bases half of the evaluation on student data. The state reapplied for round 2 and was again chosen as a finalist. In preparation for round 2, lawmakers passed legislation that allows nonprofits to certify principals and eliminates Chicago residency requirements for CPS teachers.

### Snapshot

Chicago’s **human capital** pipelines are robust. The city boasts a deep pool of locally grown talent and a thriving city lifestyle that lures accomplished and ambitious outsiders. In addition, the city has a sizable corps of Teach For America teachers, hosts a well-established Chicago Teaching Fellows program (run by The New Teacher Project), and is one of the largest New Leaders for New Schools placement sites.

1. This profile provides a snapshot of the data collected for Chicago, Illinois, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_american-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_american-best-and-worst-cities-for-school-reform).

The city is also home to a relatively new teacher performance pay system (the Teacher Advancement Program or TAP), which may help to attract fresh talent.

**Financial capital** is not as readily available in Chicago as it is in other cities in this study. CPS labors under a tight purse: District per-pupil expenditures are low when normed for the cost of living, and budget woes have worsened during the recession. CPS does actively seek philanthropic support for its endeavors—and such support is abundant—but it lacks a coherent vision for how to spend those dollars.

Chicago's **charter environment** is probably better than its ranking. It does suffer from dismal state-level support. Though Illinois first passed charter legislation in 1996, the state law has numerous flaws pertaining to authorizer accountability and charter funding, as well as a too-tight charter cap.<sup>2</sup> There are only four authorizers—three districts and the state Board of Education—which together operate only thirty-five charters.<sup>3</sup> (Thirty of those are in Chicago, and authorized by CPS's Office of New Schools.) To their credit, however, CPS and charter operators have managed to work around the cap by opening multiple campuses under the same charter, though this practice has been divisive and controversial. Notwithstanding these hurdles, charter operators will find support for their efforts in the Windy City. Renaissance 2010's focus on charters has given the sector a further boost, and there are a handful of successful charters in the city such as Urban Prep and the Noble Network schools.

Chicago's **quality-control** efforts are unsatisfactory. Though the municipal government and CPS help nontraditional reformers navigate regulatory hurdles, the metrics used to gage the quality of programs, services, and tools are poorly designed. The feeble exercise of quality control at the city level is made worse by an underwhelming state longitudinal data system—one that does not, for instance, have the ability to link student and teacher data.<sup>4</sup> The quality-control exception is the charter realm, which respondents say benefits from an outcomes focus.

Chicago's **district environment** is relatively strong among cities in this analysis. The reform overtures of CPS are dampened, however, by a strong union that wields enough power to derail change they consider distasteful. The district CEO and the mayor have what interviewees describe as a “functional” relationship with the Chicago Teachers Union; but even when reform is agreeable, it moves at a glacial pace. This functional relationship may soon become dysfunctional—the July 2010 union elections brought a staunchly anti-reform constituency to power.

Though Chicago's district environment is mediocre, its **municipal environment** is praiseworthy, securing the top slot in this analysis. Education entrepreneurs will enjoy reform-friendly philanthropic and business communities, which not only support charter schools and performance-based pay, but are willing to expend political capital to secure them. The mayor's office is also willing to go to bat for education reform—after all, Mayor Daley controls the school system—which paves the way for entrepreneurs to set up shop in Chicago.

2. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

3. As of April 2010, according to the National Alliance for Charter School Authorizers. See <http://www.qualitycharters.org/state-by-state-overviews-106>.

4. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Nontraditional reformers will find a relatively welcoming district and municipal environment in Chicago, as well as ample talent to staff their efforts. Still, entrepreneurs must be willing to confront some practical roadblocks—such as scant public funds, a poor state data system, and an anti-reform union—that ensnarl education reform in the Windy City.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Columbus?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	23 of 26	9 of 25	22 of 24	16 of 25	15 of 26	5 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Columbus and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Columbus City Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

As the state capital, Columbus incorporates state and local education conversations. The state conversation around education reform is often less favorable than the one occurring in the city of Columbus, which means that the latter has a positive effect on the former, but not so much the other way around.

Compared to other cities in this report, Columbus City Schools (CCS) is moderately supportive of reform. The same can be said of the local teachers’ union and the state’s charter law. The presence of state-level education advocacy organizations working in the district’s backyard is a plus for Columbus, but they face an uphill battle against entrenched interest groups and fierce defenders of local control.

### Race to the Top Update: Ohio—Columbus

Ohio applied for round 1 of Race to the Top funding and was chosen as a finalist, but ultimately lost. The state reapplied for round 2 and was again chosen as a finalist. In preparation for the competition, Ohio passed legislation that establishes a P-16 longitudinal data system.

### Snapshot

Columbus’s poor performance in **human capital** has multiple causes. The city has no national alternative certification programs (Teach For America, The New Teacher Project, or New Leaders for New Schools). CCS also operates under a restrictive collective bargaining agreement,<sup>2</sup> which combines with retrograde personnel practices to keep talented individuals out of city classrooms. Survey respondents report that it is difficult to recruit talented individuals to move to Ohio, even though Columbus is relatively attractive compared to other locales in the state. Strict state teacher licensure rules likely play a part; even if one wishes to get licensed in the Buckeye State, she or he will have a hard time doing so.

1. This profile provides a snapshot of the data collected for Columbus, Ohio, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_american-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_american-best-and-worst-cities-for-school-reform).

2. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

Columbus fares adequately in terms of **financial capital**. The city benefits from both local and national philanthropic support, though neither of those sources gives a significant amount to education. The per-pupil expenditures in CCS rival those of other districts in this analysis.

The **charter environment** is a mixed bag. The state allows many entities other than school districts to authorize schools, but the state charter cap situation is highly restrictive.<sup>3</sup> State law also does not allow charter schools equitable access to operational, capital, and facilities funding.<sup>4</sup> Funding for charters at the city level is not much better. But several non-district entities provide support and/or advocacy for charter schools, including the Ohio branch of the Fordham Institute and the Ohio Alliance for Public Charter Schools.

**Quality-control** mechanisms in Columbus are middling. At the state level, Ohio has most of the components in place for a strong statewide data system,<sup>5</sup> but the rigor of the state test falls well below that of the National Assessment of Educational Progress (NAEP).<sup>6</sup> The metrics that CCS has in place to assess the quality of programs and services do not hinder how entrepreneurs operate—but neither do they help them.

Columbus's **district environment** is best described as middling compared with other cities in this report. There is an influential and not very reform-minded teachers' union in the city, which co-exists alongside a somewhat reform-friendly CCS. District leaders are not powerful voices for reform, but do open doors to reformers and tend to stay out of their way. Unlike many districts in Ohio, CCS chose to sign on to the state's Race to the Top application for both rounds of the competition.

Columbus received its highest score for **municipal environment**. This is largely due to the presence of multiple state-level education advocacy organizations and a supportive media environment. Indeed, the editorial pages of the *Columbus Dispatch* tend to support such innovations as school choice, performance-based pay, and alternative teacher certification. Survey respondents also praise the business and philanthropic communities for their vocal support of education reform, even if it does not translate into financial backing.

3. The cap is structured so that each authorizer is allotted a certain number of schools each, but when an authorizer shuts down a school, it counts against the total—meaning they lose a slot every time they close a school. This arrangement does not encourage quality control.

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

6. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

## Bottom Line

Columbus is neither exceptionally welcoming to entrepreneurs nor overly hostile: Its union is not all-powerful, its primary school district is somewhat receptive to reform, and its quality-control metrics and charter school environment are middle of the road. In sum, entrepreneurs will have to ask themselves as they seek to set up shop here: Is a city that is “average” in terms of reform-friendliness worth our effort?

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.



## How reform-friendly is Dallas?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	12 of 26	14 of 25	N/A	N/A	6 of 26	15 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Dallas and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Dallas Independent School District.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*This review of Dallas is limited by a low response rate on the local stakeholder survey. This resulted in too few indicators to calculate rankings for Charter Environment and Quality Control (see Methodology in Appendix A). Still, we include here information from the local responses that we did receive as well as publicly available data, national survey responses, and interviews.*

Though Dallas has a few pieces of the education-reform pie in place, it has yet to gain serious momentum around educational change. This is due to a number of factors, especially the absence of a clear

reform vision or leader—civic, political, or district—to spearhead such an effort, as well as mediocre amounts of reform-oriented capital. There is movement in the right direction—the district, for example, has recently begun to reach out to non-traditional providers—but without spirited organization of those efforts, serious reform is unlikely to take off.

### Race to the Top Update: Texas—Dallas

Texas did not apply for either round of Race to the Top funding. Indeed, Texas governor Rick Perry has been a vocal critic of the competition, citing it as an example of federal overreach.

### Snapshot

Dallas is home to middling, but growing, pipelines of **human capital**. The city hosts a small number of alternatively trained teachers—Teach For America opened there in 2009 and Texas’s statewide Teaching Fellows (run by The New Teacher Project) places students there as well—but it does not yet have local talent in abundance, nor is it particularly easy to recruit talented individuals to relocate there. Moreover,

1. This profile provides a snapshot of the data collected for Dallas, Texas, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).



the hiring and firing practices of the Dallas Independent School District (DISD) are sufficiently bureaucratic and mired in seniority rules as to deter new talent. And district leadership appointments are often so politicized as to forsake quality and qualifications. On a more positive note, Dallas's teachers' contract is relatively benign,<sup>2</sup> partly because Texas is a right-to-work state. But Dallas's union presence (NEA-Dallas and Alliance-AFT) remains an influential foe of reform at the polls, helping to turn out lots of voters in favor of union-friendly candidates.

Dallas's **financial capital** pipelines are also mediocre. Money in the city is available for nontraditional reform, but it comes mostly from a few private sources. Several philanthropies that have not traditionally focused on education reform are now turning their attention in this direction, but DISD appears unwilling to spend its own money on reform. Interviewees say that the district has discussed reform with the philanthropic community, including starting a venture fund for education, but those ideas have yet to take root.

Though a low survey response prevented ranking of Dallas's **charter environment**, available data reveal that Texas's charter laws are slack when it comes to authorizer quality and school funding.<sup>3</sup> Though districts can be authorizers in Texas, the Texas Education Agency (TEA) sponsors the majority of Dallas's charters, while DISD authorizes just one—though some might credit this as a plus rather than a minus, since district-sponsored schools in Texas often do not have the same autonomy, or results, as their state-authorized counterparts. Charter schools presently serve near 10 percent of the district's students.<sup>4</sup>

Data were also too scant to evaluate Dallas on **quality-control** efforts, but we did gain some insight into statewide efforts on this front. Texas has one of the nation's strongest longitudinal data systems; not only can it track student-level data, but it has worked hard to implement this system across districts in user-friendly fashion.<sup>5</sup> Still, the state test is no strong gauge of student proficiency, falling considerably below the rigor of the National Assessment of Educational Progress (NAEP).<sup>6</sup>

Dallas's **district environment** operates under a slim agreement (as opposed to a legally binding contract) with the teachers' union, which gives DISD flexibility. And though DISD does not offer a strong voice—or much of any voice—for reform, neither does it act as much of a road block. DISD's superintendent has also recently reached out to the charter and nonprofit sectors looking for ways to work collaboratively. For example, DISD and Uplift Education, a high-achieving charter management organization that operates in the Dallas-Fort Worth metro area, joined forces on Dallas's Promise Neighborhood federal planning grant application. However, such links are just starting.

Dallas's **municipal environment** is somewhat open to reform. Nontraditional reformers will find sup-

2. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

6. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

portive voices in the philanthropic and business sectors, though not so loud as in other cities and not coordinated across sectors. Local media are also lukewarm voices for reform. To its benefit, the city receives support from the Texas Institute for Education Reform, a state-level advocacy organization.

## Bottom Line

No area we examined in Dallas emerged as overly advantageous for nontraditional reformers. There is lack of financial support for fledgling entrepreneurs as well as a school district that appears to be able to take or leave reform (though federal incentives could move the needle). In short, Dallas is only beginning to consider education reform, let alone seriously embark upon it.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

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**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Denver?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	5 of 26	7 of 25	8 of 24	14 of 25	10 of 26	4 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Denver and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Denver Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Denver** is an attractive place for education entrepreneurs. Reform efforts on both the city and state level have resulted in an overhaul of teacher pay and evaluation, a more welcoming environment for charter schools, and a keen focus on raising student achievement. Under the leadership of former Denver Public

Schools (DPS) superintendent Michael Bennet and current superintendent Tom Boasberg, the district has striven to improve the ways that teachers are hired, fired, and developed, as well as methods of shutting down and replacing and/or turning around struggling schools. Senator Mike Johnston recently—too recently to be included in our data—led a successful charge in the statehouse for an overhaul of teacher evaluation and job protection.

### Race to the Top Update: Colorado—Denver

Colorado applied for round 1 of Race to the Top funding and was chosen as a finalist, but ultimately lost. The state reapplied for round 2 and was again chosen as a finalist. In May 2010, Colorado passed the Educator Effectiveness Act, which makes student value-added data worth at least 50 percent of teacher evaluations; the evaluation results are to be used in hiring, compensation, and promotion decisions, among other areas. Other legislation requires the DOE to issue an annual report on the effectiveness of educator preparation programs in the state.

### Snapshot

Denver’s **human capital** pipelines are largely cleared of obstacles when it comes to steering talent into the system. A relatively flexible collective bargaining agreement has opened Denver’s classrooms to an abundance of both homegrown and imported talent.<sup>2</sup> In 1999, DPS piloted one of the nation’s first

1. This profile provides a snapshot of the data collected for Denver, Colorado, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_american-cas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_american-cas-best-and-worst-cities-for-school-reform).

2. For more information, see: National Council on Teacher Quality, Teacher Rules, Roles and Rights (TR3) database, <http://www.nctq.org/tr3/home.jsp>.

district-wide performance pay systems, the Professional Compensation System for Teachers (ProComp); it became mandatory in 2006 for all new teachers. Notably, this compensation system was negotiated with the city's teachers' union, which generally reflects how DPS does business.

**Financial capital** in Denver is readily accessible and spent with a purpose. This is particularly true of private dollars, which DPS actively seeks from national and local sources to supplement its public funds. But regardless of source, DPS's vision for its dollars is coherent and targeted, especially in regard to teacher quality and low-performing schools. Due to a collegial relationship between the district and local philanthropic community, the latter is deeply engaged in education reform. Relations with the school board are not always smooth, however, as board membership often splits between those who side with philanthropies and encourage reforms, and those who view reform-minded philanthropies as too pushy.

Denver has a strong **charter environment**, due in large part to a strong state charter law and sturdy support system. Colorado's charter law provides for nearly equitable funding of charter and traditional schools as well as access to facilities funding. There is also no charter cap.<sup>3</sup> Charter schools are supported by a quality-conscious and well-run Colorado League of Charter Schools.

**Quality control** outside the charter sector is underwhelming. State-level metrics are wanting. Colorado's state tests are lackluster when compared to the National Assessment of Educational Progress (NAEP); indeed, state proficiency bars are on average about 40 points below that of the NAEP.<sup>4</sup> In addition, Colorado's data system leaves much to be desired. The current system cannot tie student test scores to individual teachers nor track student-level transcript information such as courses completed and grades earned.<sup>5</sup> The state legislature has recently moved to update the data system, but those changes have not yet been implemented.

Denver's **district environment** is characterized by strong leadership in both the district and the teachers' union. DPS leaders are loud voices for change, and the district is focused on forward-thinking proposals like performance pay and school closures, but the teachers' union has been equally vocal and pushy in its own competing agenda. This was evidenced by the ProComp negotiations; though the measures passed with union support, they involved quite a bit of DPS-DCTA wrangling.

The **municipal environment** in Denver is very strong. In addition to a powerful philanthropic presence, education reformers will find edu-friendly media and business communities. Further, a state-level education advocacy organization, Colorado Succeeds, helps to push the reform envelope in Denver and elsewhere.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Reformers will find a strong and welcoming reform community in Denver. Not only is DPS on board with such reforms as alternative certification, charter schools, and performance pay, but the business, philanthropic, and media sectors are willing to go to bat for them also. Still, the teachers' union is a powerful force in Denver, and while it has been willing to negotiate in recent years, it often dilutes reform and makes the process of enacting it more laborious.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Detroit?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	24 of 26	N/A	N/A	25 of 25	18 of 26	25 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Detroit and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Detroit Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*Our analysis of Detroit was limited by a low response rate on the local stakeholder survey. This resulted in too few indicators to calculate rankings for Financial Capital and Charter Environment (see Methodology in Appendix A). Still, we include here information from the local responses that we did receive as well as publicly available data, national survey responses, and interviews.*

Given **Detroit’s** abysmal student achievement and negative press in recent years, its ranking as the least reform-friendly city in this analysis is unsurprising. The city’s infrastructure is tattered and education

change is retarded by an ineffective district marred by high turnover, a teachers’ union opposed to reform, and a municipal environment unwilling to make bold decisions. Still, Detroit has moved in a positive direction since the fall of 2009, when data for this study were collected. A new wave of leaders, including Mayor David Bing and Detroit Public Schools (DPS) emergency financial manager Robert Bobb, are embracing reforms and drawing nontraditional providers, such as Teach For America, to the city. On another front, Excellent Schools Detroit, a citywide

### Race to the Top Update: Michigan—Detroit

Michigan applied for round 1 and round 2 of Race to the Top funding but was not chosen as a finalist in either round. In preparation for round 1, Michigan passed several laws in January 2010 that allow for alternative certification; permit teacher compensation based, in part, on students’ academic achievement; loosen Michigan’s cap on charter schools; require the state to appoint a school reform/redesign officer to head up turnaround efforts for failing schools; increase the drop-out age from 16 to 18; diminish the collective bargaining rights of union members; and create a teacher identifier system to match teachers to individual students.

1. This profile provides a snapshot of the data collected for Detroit, Michigan, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_american-cas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_american-cas-best-and-worst-cities-for-school-reform).



coalition of government, community, parent, and civic leaders, boldly plans to revamp the city's troubled school system. The success of such plans, of course, rests on any number of variables; but for now they indicate a burgeoning culture of reform in the Motor City.

## Snapshot

Detroit's **human capital** pipeline is running low. The Motor City lacks a deep reservoir of talent, and recruiting external talent to move there is difficult. Teach For America operated in Detroit in 2002-2004 but left due to union resistance and poor district support. A restrictive collective bargaining agreement that prioritizes veteran teachers at the expense of new ones helps to discourage fresh talent from entering the classroom.<sup>2</sup> Still, recent developments—too recent to be included in this analysis—signal improvement: DPS signed a less-restrictive teachers contract in December 2009; and a changing environment and local support brought TFA back to the city in 2009-10.

With the economic downturn and fragile state of the domestic auto industry, it comes as no surprise that Detroit suffers when it comes to **financial capital**. Despite reasonably high per-pupil expenditures in DPS, funding for *reform* is largely unavailable from public sources. Fortunately, philanthropies have lately begun to plug the holes. Though they long remained aloof to Detroit's deteriorating climate for years, now—with conditions so dire—disparate groups have come together to form a united reform coalition.

Detroit's **charter environment** enjoys strong state-level support but tepid local support. Michigan allows multiple authorizers and maintains robust authorizer accountability provisions. It also funds charter operations at equitable levels.<sup>3</sup> Roughly 32 percent of public school students in DPS boundaries are enrolled in charter schools—one of the highest densities in this analysis.<sup>4</sup> Still, local support is lacking—individual charters struggle to obtain facilities funding, and school support organizations are all but nonexistent, aside from the brand new Excellent Schools Detroit.

Detroit displays neither the metrics nor the will to exert **quality control** over its educational system. Michigan collects abundant student demographic and performance data, but does not link these data to individual teachers or to educational attainment beyond high school.<sup>5</sup> The state's measure of proficiency is also much lower than that of the National Assessment of Education Progress (NAEP).<sup>6</sup> On the local level, survey respondents report that DPS does not use information to drive real-time adjustments in policy or practice.

Detroit's **district environment** has long been troubled and setting up shop in DPS can be difficult. Another large stumbling block is the teachers' union, which wields substantial sway in opposing reforms such as alternative certification, charter schools, and performance pay. That said, even the teachers'

2. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

6. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

union has made some concessions of late, including a more progressive contract passed in December 2009. And new leaders, such as Emergency Financial Manager Robert Bobb, have brought with them a fresh resolve for reform.

Detroit's **municipal environment** favors reform in theory, but (until very recently) did little to actively spur change. Businesses, philanthropy, and the local editorial pages all generally support alternative certification, charter schools, and performance pay; but none of these entities, nor civic leaders, have been willing to expend much political capital to advance such reforms. Still, there's hope that the 2009 election of Mayor David Bing will light the reform fire and spur municipal entities to move beyond cautious optimism.

### Bottom Line

Detroit should not be written off the education reformer's map. The city faces significant hurdles to improvement and provides little in terms of entrepreneurial support; still, local forces have begun to arm themselves in pursuit of reform.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

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**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.



**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is El Paso?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	N/A	N/A	N/A	N/A	N/A	N/A

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for El Paso and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the El Paso Independent School District.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*Our analysis of El Paso was severely limited by a low response rate on the national and local stakeholder surveys. This resulted in too few indicators to calculate a final grade or rankings (see Appendix A for Methodology). Still, we report here information from the local and national survey responses that we did receive as well as publicly available data and interviews.*

#### Race to the Top Update: Texas—El Paso

Texas did not apply for either round of Race to the Top funding. Indeed, Texas governor Rick Perry has been a vocal critic of the competition, citing it as an example of federal overreach.

**El Paso’s** location plays an important role in municipal governance, city life, and the city’s three school systems (only the largest of which—El Paso Independent School District (EPISD)—is evaluated here). Because it is so distant from other Texas cities, its education

community—reformers and establishment alike—are staunchly protective of the schools and their traditions, and distrust outsiders. (That is, unless those outsiders come bearing financial aid intended to support ongoing efforts, not new initiatives.) El Paso’s proximity to the Mexican border also means that city schools enroll many English language learners and minority students. The achievement gap between minority and non-minority students has turned city attention to education reform, but solutions have been largely traditional and, so far, ineffective.

1. This profile provides a snapshot of the data collected for El Paso, Texas, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

## Snapshot

El Paso's **human capital** leaves much to be desired. For example, though the statewide Texas Teaching Fellows program (a New Teacher Project offshoot) once sent its alternatively certified teachers there, they recently stopped because it was so difficult for the teachers to find jobs. The University of Texas-El Paso, which exercises significant influence locally, has made it particularly hard for alternative certification programs to set up shop in the city because any teacher not trained by UTEP is considered second-rate. Further, the school district culture favors seniority above other staffing considerations. On a more positive note, Texas is a right-to-work state which makes dealings with the union more tolerable.

**Financial capital** in El Paso is hard to come by. Passed over by national philanthropies and lacking a strong, local philanthropic base, entrepreneurs won't find much funding here for their efforts. The dollars that are available, however, tend to help support the city's high-quality charter schools.

El Paso's **charter environment** is underwhelming. Though some of the extant schools boast impressive academic track records, they are few in number. It does not help that Texas charter law is loose on authorizer accountability and does not provide for equitable charter funding.<sup>2</sup> All of El Paso's charter schools are sponsored by the state Texas Education Agency, despite state law allowing for district authorizers; this might be a good thing, however, since district-authorized charters in Texas tend not to have the same autonomy—or results.

**Quality control** does not have a strong track record in El Paso. Local education politics focus more on connections and community relationships than cost-effectiveness or best practices. Local distrust of outsiders and pride in the city engender skepticism towards outsider critique. Texas as a whole, however, has a robust statewide data system. Not only is the actual data platform quite advanced, but the state has concentrated on helping districts implement that system as well.<sup>3</sup>

Entrepreneurs looking to set up shop in El Paso will not find a very hospitable **district environment**. Though the city has started to pay more attention to education reform, a fundamental distrust of outsiders undermines efforts to import innovative ideas. Since EPISD leadership is not shy about using its bully pulpit to stand up for the district and defend the status quo, reformers will find it hard to make inroads into district schools. Though there is a local teachers' union—an AFT affiliate—it seems largely peripheral to the education conversation.

When it comes to education reform, the city government and EPISD are largely on the same page. The result is a **municipal environment** that does not welcome reformers, and a mayor's office that is as distrustful of outsiders as the school district. There is no audible reform-friendly media, business, or philanthropic voice to offset this chorus of anti-reform.

2. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

3. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

El Paso does not welcome challenges to the status quo, especially when the challenger comes from elsewhere. This is particularly true in education, where both EPISD and the city government prefer to blame a lack of resources as the schools' main problem. Unfortunately for them, voters are unwilling to foot the bill, voting down a recent tax increase. When and if education reform takes off, it will likely need to arise outside the system—if it can get past all the barriers.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Fort Worth?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	15 of 26	15 of 25	14 of 24	7 of 25	9 of 26	2 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Fort Worth and other cities in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the Fort Worth Independent School District.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

Fort Worth has made great strides in education reform under the now five-years-in superintendent, Melody Johnson. Compared with other large districts across the state and nation, however, changes have been slow, gradual, and risk-averse. Though Johnson is focused on enhancing student achievement, she appears more comfortable working within the establishment than blazing a new path through or around it. Moreover, on those occasions when she attempts to make bold moves, she runs up against a bickering, irresolute school board. Still and all, the Fort Worth Independent School District (FWISD) is heading in the right direction, bolstered by reform-minded but small philanthropic and business communities.

### Race to the Top Update: Texas—Fort Worth

Texas did not apply for either round of Race to the Top funding. Indeed, Texas governor Rick Perry has been a vocal critic of the competition, citing it as an example of federal overreach.

### Snapshot

Fort Worth’s **human capital** pipelines are relatively dry, especially compared to other Texas cities in this analysis. The city lacks a deep local talent pool and is home to no large alternative certification programs. Though an unrestrictive union agreement and sensible hiring protocols open the district door,<sup>3</sup> few individuals are waiting on the other side.

1. Our analysis of Fort Worth was limited by a low response rate on the national stakeholder survey; therefore, those responses were not calculated into the rankings or final grade (see Methodology in Appendix A). Still, we include here information from the national survey responses that we did receive as well as publicly available data, local survey responses, and interviews.

2. This profile provides a snapshot of the data collected for Fort Worth, Texas, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_american-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_american-best-and-worst-cities-for-school-reform).

3. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

Fort Worth's **financial capital** is underwhelming. Though the philanthropic community is dedicated to education reform, the overall impact of their dollars, while positive, remains small. This is because entrenched political and institutional interests often serve to block such reforms, even as FWISD leadership actively seeks dollars to fund them. This is unfortunate, since FWISD per-pupil expenditures, adjusted for cost of living in Fort Worth, are low compared to the other school districts in this analysis (and the lowest among the other Texas cities included in this report).

**Charter schools** have made few inroads in Fort Worth. Although districts can be charter sponsors, the state Texas Education Agency is the sole charter authorizer in the city; that there is just one authorizer, however, may be off-set by the fact that Texas district-sponsored schools typically have less autonomy and lower achievement. Texas charter laws are generally mediocre, failing to emphasize authorizer quality or provide adequate funding.<sup>4</sup> Fewer than 2 percent of students in the city of Fort Worth attend charter schools.<sup>5</sup>

**Quality control** in FWISD has taken on increased significance under Johnson. Respondents report that the district uses data to make real-time adjustments in its policies and programs. Both FWISD and the city of Fort Worth also benefit from a robust state data system that is operated in a user-friendly and effectual manner.<sup>6</sup> Still, the state test is no strong indicator of student proficiency, falling below the rigor of the National Assessment of Educational Progress (NAEP).<sup>7</sup>

Fort Worth's **district environment** is lukewarm. On the one hand, Johnson, a longtime educator, school leader, and Broad Superintendents Academy graduate, attempts to ensure that FWISD focuses on boosting achievement and teacher quality.<sup>8</sup> Yet she and district staff have gone about this in establishment-friendly ways, like increasing funding and adding more teacher professional development. Combined with an establishment that is all too happy to acquiesce to these moves, reformers will find some of the right end goals, but little to no will to make the bold, and often unsavory, decisions necessary to push them forward.

Fort Worth's **municipal environment** is likely not as positive as its rank suggests. A low response rate on the national survey meant those data were not included and other indicators had to carry more weight. Fort Worth's philanthropic and business communities are relatively supportive of education reform, but have a difficult time making a difference from outside the system. The mayor is interested in education, particularly from an economic point of view. He has tried to create "workforce development" partnerships and has used his bully pulpit to focus on the dropout rate, but the effect of these efforts has been blunted since he has little actual power over what happens in schools.

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For all other cities in this study, charter market share was drawn from data published by the National Alliance for Public Charter Schools (*Top 10 Charter Communities by Market Share*). Fort Worth was *not* included in the NAPCS report; hence, the figure here was calculated using the Common Core of Data (CCD) enrollment numbers for 2007-08 by "location city."

6. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

7. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

8. For more information, see: [http://www.broadacademy.org/fellows/22\\_Melody+Johnson.html?page\\_filter=0](http://www.broadacademy.org/fellows/22_Melody+Johnson.html?page_filter=0).

## Bottom Line

Systemic change is heading in the right direction in Fort Worth. There are willing players in the philanthropic and business sectors—and a fairly open-minded superintendent in FWISD—but all of the pieces of the reform puzzle have yet to be assembled. Improved relations between superintendent and board—and a stronger charter presence—are two areas that need improvement.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.



## How reform-friendly is Gary?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	26 of 26	19 of 25	20 of 24	21 of 25	24 of 26	N/A

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Gary and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the Gary Community School Corporation.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*Our analysis of Gary was limited by a low response rate on the national stakeholder survey. This resulted in too few indicators to calculate a ranking for Municipal Environment (see Methodology in Appendix A).*

*Still, we include here information from the national responses that we did receive as well as publicly available data, local survey responses, and interviews.*

#### Race to the Top Update: Indiana—Gary

Indiana applied for round 1 of Race to the Top funding but was not chosen as a finalist. The state decided not to reapply for round 2.

**Gary** is a challenging locale for an entrepreneur looking to set up shop. The city’s most serious barrier to reform is its district environment, paralyzed by an “old-timer” mentality entrenched in the status quo.

Turnover within the Gary Community School Corporation (GCSC) has left the district with no centralized leadership in favor of reform, and stalled the few reform efforts that had managed to take root. Further, GCSC is the subject of a recent local school board investigation for mismanagement of funds.

### Snapshot

Gary suffers from weak **human capital** pipelines. The local talent pool is practically nonexistent, and recruiting fresh talent to the city is nearly impossible. While Gary hosts a small Teach For America contingent as an offshoot of the larger Chicago program, it is devoid of other national alternative

1. This analysis examines the reform environments in the nation’s twenty-five largest cities, plus five additional smaller communities. We reasoned that, as alleged “hotbeds” of reform, these five would permit comparisons of conditions in big cities with those of smaller but potentially more nimble locales. In addition to Gary, IN, these smaller cities include Albany, NY; New Orleans, LA; Newark, NJ; and Washington, D.C.

2. This profile provides a snapshot of the data collected for Gary, Indiana, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

certification programs such as The New Teacher Project and New Leaders for New Schools. A restrictive bargaining agreement between the teachers' union and GCSC includes "last hired, first fired" policies that are unlikely to alter these trends.

**Financial capital** is somewhat available in Gary but is not employed in favor of reform. GCSC per-pupil expenditures are relatively high, but GCSC does not have a coherent vision for change and does not spend its own money on reform initiatives. Public funds may be available, but the district is already so low-performing that it focuses resources on meeting bare minimum requirements rather than looking forward to reform. Local philanthropy begins to fill some holes, but national philanthropic investment is rare in Gary.

Gary's **charter environment** is struggling. While Indiana law effectively places no cap on the establishment of charter schools, it also does not require adequate oversight of authorizers to ensure school quality.<sup>3</sup> Though it affords charters nearly equitable operational funding, the schools face difficulties obtaining this funding. Local institutional support is feeble in Gary, too. The only authorizer that charters schools in Gary—Ball State University—is only somewhat selective in who receives charters and does not take a hard stance on improving the quality of low-performing schools.

Gary's **quality-control** metrics are a mystery, further hampered by mediocre state-level metrics. Survey respondents largely left data-related questions unanswered, likely indicating lack of familiarity. On the state level, Indiana collects an abundance of information on student achievement but it neither links student data to teachers, nor presents data in a user-friendly format.<sup>4</sup> The state's student proficiency measures also fall short when compared to the National Assessment of Educational Progress (NAEP).<sup>5</sup>

GCSC's **district environment** is allergic to change: Leaders do not communicate a sense of urgency, do not make bold decisions or push to innovate and excel, and do not reward smart problem-solvers. The district engenders further dysfunction through constant turnover: The school board is mired in a lawsuit over mismanagement of funds, and the district has cycled through four superintendents in recent years. Making matters worse is a local teachers' union that is united in its opposition to reform.

Though inadequate data prevented calculation of a grade in this category, Gary's **municipal environment** appears relatively accepting of reform. The local philanthropic, business, and media communities all generally support reform—though not enough to garner the attention of national respondents, who generally viewed Gary as a non-player.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

5. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

## Bottom Line

The city of Gary sees little support for reform initiatives outside of its municipal leadership. Entrepreneurs must also contend with a dysfunctional school district when attempting to set up shop here.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertained to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Houston?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	9 of 26	4 of 25	16 of 24	3 of 25	13 of 26	9 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Houston and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the Houston Independent School District. Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Houston** has long been known as a hotspot for innovation, at least as far back as the late 80s when Rod Paige served on the school board then later as superintendent (starting in 1994). This reputation is

now carried on by Superintendent Terry Grier, who arrived in fall 2009. The two-decade-old reform conversation in Houston is driven largely by the school board, which, election cycle after election cycle, has remained reform-friendly. But like other hard-charging superintendents, Grier’s style has riled some sensibilities—the

#### Race to the Top Update: Texas—Houston

Texas did not apply for either round of Race to the Top. Indeed, Texas governor Rick Perry has been a vocal critic of the competition, citing it as an example of federal overreach.

teachers’ union in particular, which is powerful at the polls and whose opposition therefore puts the reform agenda in jeopardy each election cycle. Support for reform from outside the system, however, is robust and constant: Not only are the philanthropic and business communities powerful advocates, but Houston is the birthplace of two high-achieving charter management organizations (CMOs): the Knowledge is Power Program (KIPP) and YES-Prep, which have had significant impact on the city’s—and the nation’s—reform conversation. However, the changing demographics in Houston—an influx of Hispanic immigrants means the number of English language learners has skyrocketed—present a new challenge.

### Snapshot

Houston’s **human capital** pipelines are decent. Teach For America’s largest and oldest Texas placement site (since 1991), Houston Independent School District (HISD) has a history of focusing on teacher quality. Nearby Rice University recently started an MBA program for principals (Rice Educational

1. This profile provides a snapshot of the data collected for Houston, Texas, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_american-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_american-best-and-worst-cities-for-school-reform).

Entrepreneurial Program, or REEP), in which HISD and charter school leaders have been eager to take part. But internal changes are still needed: Though the city has plenty of homegrown and imported talent, archaic district hiring and firing practices have traditionally kept much of that talent out of the classroom. This is due less to the district's slim agreement (as opposed to a traditional legally binding contract) with the Houston Federation of Teachers, which is rather flexible,<sup>2</sup> than to entrenched interests in the district's own bureaucracy.

**Financial capital** is widely accessible in Houston. Private sources are the main drivers here, giving plentifully to nontraditional reforms. The philanthropic community has played an important role in promoting reform in the city, attracted in part by Houston's reputation. Giving is robust and often directed to reform-friendly initiatives.

**Charter schools** are a significant sector of Houston public schools, but they have run into some roadblocks. Vast local resources have been mustered to grow Houston's charters, but the public contribution to those efforts is lagging: Charter funding under Texas state law is hardly equitable with district schools. Still, Houston is home to some of the nation's most rigorous, oldest, and best-known charter organizations, such as the still locally based YES Prep, and the now-nationwide KIPP program, which was founded there in 1994. Other lesser-known charters, such as Harmony Public Schools and Energized for Excellence, flourish too. Though both HISD and the state Texas Education Agency authorize charter schools in Houston, HISD-sponsored charters do not enjoy the same autonomy, nor have they been as successful. Charter schools serve 14 percent of students in HISD.<sup>3</sup>

**Quality control** plays an important role in Houston and is bolstered by an infrastructure that supports it at the state level. Texas has a strong statewide longitudinal data system—not only can it track numerous outcomes for students and teachers over time, but the system presents the data in a user-friendly and effectual manner.<sup>4</sup> Unfortunately, Texas maintains a low proficiency bar on its state test, as compared to the National Assessment of Educational Progress (NAEP).<sup>5</sup> Quality matters on the local level too: Local survey respondents report that non-district support for nontraditional reformers—for example, entities that help them navigate regulatory hurdles—is highly attuned to quality. And HISD does a moderately good job of using data to inform mid-course corrections in district operations.

A tradition of education reform sets the tone for Houston's **district environment**. The school board has managed to remain relatively reform-friendly for nearly twenty years and the past three superintendents have been at the fore of education reform. Though Texas is a right-to-work state, the teachers' union makes itself known: Though it doesn't hold much sway over district decisions, it comes out in full force for school board elections. Interviewees paint a conflicting portrait of recent appointee Grier, with some indicating that he has done too much too quickly and runs roughshod over detractors; others believe

2. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

4. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

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his hard-hitting tactics will prove helpful and point to the recent value-added system (initiated under a previous superintendent) as evidence.

Houston's **municipal environment** has pluses and minuses. The business and philanthropic communities are largely supportive of education reform, and in particular of the speed at which Grier has implemented reforms in the last year, and both are willing to expend political capital on potentially controversial reform ideas. The largest local newspaper (the *Houston Chronicle*), however, often won't take a strong stance on education reform, so a few strong op-eds are tempered by a lot of neutral coverage.

## Bottom Line

Houston is largely welcoming to reformers. Private-sector education reform is, and has been, quite strong, and the human capital pipeline and quality-control mechanisms in this Texas city are quite good. That said, the state charter law and some elements of the municipal environment could be improved.

## Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertained to tenure and differentiated pay, among other areas.

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**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.



## How reform-friendly is Indianapolis?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	16 of 26	10 of 25	12 of 24	9 of 25	14 of 26	11 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Indianapolis and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Indianapolis Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Indianapolis** has positive energy surrounding its education reform movement. The city benefits from a state-wide conversation around reform led by Tony Bennett, one of the most reform-oriented state superintendents in the nation. In addition, The Mind Trust, a nonprofit organization that helps to incubate education entrepreneurs, recruits movers and shakers to the city and advances the reform agenda. Still, Indianapolis sometimes falls prey to supporting too many initiatives, some of which cannot be

characterized as true reform. The result has been a lot of money expended, and some progress as a result. Forward-thinking leaders in the state, philanthropic, and business sectors must also contend with a moderately powerful teachers’ union, which sometimes sets up road blocks.

### Race to the Top Update: Indiana—Indianapolis

Indiana applied for round 1 of Race to the Top funding but was not chosen as a finalist. The state decided not to reapply for round 2.

1. This profile provides a snapshot of the data collected for Indianapolis, Indiana, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

## Snapshot

When it comes to **human capital**, Indianapolis has a decent pool of local talent. Still, the district's bureaucratic personnel rules sometimes make it difficult to funnel talented individuals into its schools. Though Indianapolis Public Schools (IPS) hosts Teach For America and The New Teacher Project (Indianapolis Teaching Fellows), for example, its continued seniority-based hiring and firing rules mean that a lot of these teachers wind up outside IPS schools—in charters and elsewhere. This situation is compounded by a somewhat burdensome collective bargaining agreement.<sup>2</sup>

**Financial capital** pipelines flow in Indianapolis from both public and private sources. Taking into account the city's cost of living, IPS per-pupil spending is quite high. These funds are supplemented by a reform-friendly and generous philanthropic community. But on occasion, dollars flow too freely, with donors sometimes giving before fully evaluating the effectiveness of the recipient program. This means that mediocre projects subsist alongside effective initiatives.

Indianapolis's **charter environment** is healthy. Owing much to the legacy of charter advocate and ex-mayor Bart Peterson, the mayor's office is the state's largest authorizer of charter schools—a very different model than in most cities. Just under 20 percent of students in IPS boundaries were enrolled in charter schools as of 2008-09, which is a sizable proportion of students compared to other cities of its size.<sup>3</sup> Still, Indiana's charter laws neither ensure authorizer quality nor provide adequate funding for authorizers or charters.<sup>4</sup>

Indianapolis keeps a respectable eye to **quality control**. Though IPS does not actively employ data to drive real-time reform, an education reform network in Indianapolis (including TFA, TNTP, The Mind Trust, Diploma Plus, etc.) has its eye on quality, aware that funds need to be channeled to the highest-impact programs, not necessarily the most popular. The statewide data system, however, lacks the ability to link various data systems together nor is student-level transcript and course information available.<sup>5</sup>

Reformers will find a lukewarm **district environment** in Indianapolis. Though IPS leaders are vocally pro-reform, they could do more to make those reforms reality. While unions oppose performance-based pay and charter schools, their ability to stymie such changes is weaker than in many other cities. Still, education entrepreneurs seeking to enter the Indianapolis market sometimes avoid IPS and approach the charter sector instead.

Indianapolis's **municipal leadership** favors reform. Indeed, much local progress in education reform has been led by the mayor's office, the philanthropic community, and nonprofit support organizations. Even the editorial pages of the *Indianapolis Star* and the media community at large champion education reform initiatives.

2. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>. Just in the last few months, however, union leaders and IPS management have altered these seniority policies. Now, under a Reduction in Force scenario, teacher layoffs must be decided by teacher evaluation results, which include student achievement measures.

3. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Education reform activity in Indianapolis occurs more often outside IPS than within. And the state's data system and charter laws could also use improving. That said, reformers will find a friendly reform community in Indianapolis with many of the necessary tools—talent, dollars, municipal support—to be successful.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

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**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Jacksonville?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	14 of 26	21 of 25	11 of 24	1 of 25	3 of 26	8 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Jacksonville and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the Duval County Public Schools.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Jacksonville**, according to a local entrepreneur, is “a small town with big buildings”: Despite its sizable population, the city maintains a small-town atmosphere and largely avoids national attention. This

both helps and hinders its burgeoning school-reform movement. Though human and financial capital pipelines are less than robust, the city’s intimate atmosphere helps build relationships among reformers. Though it may not have all the resources of other cities at its fingertips, Jacksonville has made great strides over the past few years.

### Race to the Top Update: Florida—Jacksonville

Florida applied for round 1 of Race to the Top funding and was chosen as a finalist, but ultimately did not win. The state reapplied for round 2 and was again chosen as a finalist. In advance of the competition, Florida passed several initiatives that strengthen school accountability and graduation requirements, allow state takeovers of failing schools, regulate teacher assignment, and expand the state’s tax credit voucher program.

### Snapshot

Jacksonville’s **human capital** pipelines are middling. The city lacks a deep local talent pool and recruiting talent from outside can be difficult. Teach For America began operations here in 2008, but its numbers are small. The local collective bargaining agreement is somewhat flexible in HR matters.<sup>3</sup>

1. Our analysis of Jacksonville was limited by a low response rate on the national stakeholder survey; therefore, those responses were not calculated into the rankings or final grade (see Methodology in Appendix A). Still, we include here information from the national survey responses that we did receive as well as publicly available data, local survey responses, and interviews.

2. This profile provides a snapshot of the data collected for Jacksonville, Florida, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

3. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

For example, seniority remains a factor in determining lay-offs but teacher performance counts, too. Efficient turnover policies and extra pay for staffing hard-to-fill areas facilitate the integration of available talent into the school system.

Jacksonville's sparse public **financial capital** is somewhat offset by local philanthropic investment. Per-pupil expenditures in Duval County Public Schools (DCPS) are relatively low. But a burgeoning reform-friendly philanthropic community—from the Jaguars Foundation to the Jacksonville Public Education Fund to high-profile local businessmen who support KIPP—aims to establish long-term funding for change. Unfortunately, the city doesn't attract much national philanthropic interest.

Jacksonville's **charter environment** is well supported on the state level. Florida charter law provides for ample growth, authorizer oversight, and relatively equitable funding.<sup>4</sup> Still, local charter support is lagging. The city's sole authorizer—the local school board—is only somewhat selective in granting charters and does not ardently emphasize quality. But the charter sector may soon improve: The opening of the first KIPP school in 2010 is a sign that national and local organizations are entering this territory.

Florida boasts impressive state-level **quality-control** measures that propel Jacksonville to the top spot in this category. The Sunshine State collects a wealth of linked student and teacher data and can track a variety of outcomes across years. The state also makes these data available in user-friendly formats.<sup>5</sup> In addition, Florida's state test is more comparable in rigor to the National Assessment of Educational Progress (NAEP) than most other state tests in this report.<sup>6</sup>

Jacksonville's **district environment** is fairly reform-friendly. District leaders communicate a sense of urgency, though they do not always receive the political support they need to make things happen; as a result, leaders do not typically push to innovate and excel. DCPS does, however, use technology to its teachers' benefit, helping them deploy electronic and online tools to strengthen instruction—and DCPS students, like all students in the state, have the option of attending Florida Virtual School. The teachers' union is also less antagonistic than many other local unions in this study—even supporting charter schools.

Jacksonville's **municipal environment** is generally friendly to reform. The mayor, civic leaders, and philanthropic and business communities are all willing to expend political capital to advance nontraditional programs—though the mayor is less inclined to do so than other entities. The *Florida Times-Union*, however, is less supportive of education reform than newspapers in other cities in this analysis. That said, the paper recently launched a series on education change in Jacksonville—too new to be included in our analysis—that may help spur reform.

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

6. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

## Bottom Line

Jacksonville's reform sector has room to grow. Unlike most other cities, which face a negative district environment and powerful anti-reform teachers union, Jacksonville is relatively open to reform; but it needs stronger human and financial capital pipelines.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Los Angeles?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	18 of 26	20 of 25	9 of 24	12 of 25	21 of 26	7 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Los Angeles and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Los Angeles Unified School District.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Los Angeles** is home to a number of pro-reform constituencies, but the enormity of the city—and its school district—often dilutes the effectiveness of reform initiatives. In a community with so many

low-income students—and a troubled history of failure—nontraditional reforms have not grown significantly enough to have more than a patchwork effect. That said, L.A. has a strong charter school sector and a reform-friendly municipal environment.

### Race to the Top Update: California—Los Angeles

California applied for round 1 of Race to the Top funding and was not chosen as a finalist. The state reapplied for round 2 and was chosen as a finalist. In advance of the competition, California passed legislation that: allows parents to petition for a change in the structure and leadership of a failing school; lifts the charter cap; links student data to teacher employment and evaluation; revises the state’s strategic plan for use of data; and establishes inter-district open-enrollment for students in a failing school or district.

### Snapshot

Though Los Angeles hosts a strong **human capital** pool, the sheer size of the city and the Los Angeles Unified School District (LAUSD) muffles the

impact of reform-friendly overtures. Teach For America has funneled alternatively certified teachers through Los Angeles for twenty years, and the city has a number of its own local alternative certification programs, run by independent organizations, universities, and districts. But locally grown and recruited talent struggle to gain a voice powerful enough to counter the hulking, sluggish LAUSD, which labors under a restrictive collective bargaining agreement.<sup>2</sup> “Last hired, first fired” staffing policies protect ineffective teachers at the expense of fresh talent.

1. This profile provides a snapshot of the data collected for Los Angeles, California, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

2. For more information, see: National Council on *Teacher Quality, Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.



Los Angeles's **financial capital** pipelines suffer the same fate as human capital: The impact of available resources is offset by overwhelming need. Its state faces a severe public-sector funding crisis which affects all California cities in this analysis; Los Angeles is no exception. It has relatively low per-pupil expenditures, and while the city's large, diverse, and reform-minded philanthropic community helps to fill these holes, its impact is inevitably limited. Major funders provide significant contributions to reform efforts, but they tend not to pool their resources or to use a long-term coordinated strategy which might maximize effectiveness.

Los Angeles's **charter environment** is robust. The city educates a sizeable and diverse charter school population—roughly 9 percent of all public school students there are enrolled in charters.<sup>3</sup> California charter law is strong on authorizer accountability, requiring that authorizers have clear application, renewal, and nonrenewal policies.<sup>4</sup> On the ground, charters are well supported by local organizations. But the city's largest authorizer, LAUSD itself, often stumbles in its efforts to promote quality and improve low-performing schools, with heavy regulation and paperwork often substituting for a focus on the key drivers of learning.

Decent **quality-control** metrics in Los Angeles suffer from poor implementation. Using the National Assessment of Educational Progress (NAEP) as the standard, California's state test is more rigorous than most other state tests in this report (though all of them, save Massachusetts, have a long way to go).<sup>5</sup> The state data system is extensive and able to match individual student performance to classroom teachers. But the state falls short of building data repositories or promoting awareness of available data.<sup>6</sup> Thus data often go unused locally (except in the charter office); and when data do drive reform, the inertia of LAUSD can delay effective implementation of it.

Though LAUSD has some bold leaders and initiatives, the **district environment** overall is unhealthy for reform. A major impediment is LAUSD's size and bureaucratic tendencies—a common refrain throughout this analysis. Even when district leadership favors reform, structural inertia stalls real movement; stakeholders report that the district is inaccessible and does not respond in a timely manner. A reform-minded superintendent and school board are “mere drops in a bucket,” according to one interviewee. They also face heavy pushback from a local teachers' union that wields substantial political ability to block or weaken reforms such as alternative certification, charter schools, and performance pay.

Los Angeles's **municipal environment** generally favors education reform. Mayor Antonio Villaraigosa, other civic leaders, and the local business and philanthropic communities are often willing to expend political capital to support nontraditional initiatives. *Los Angeles Times* editorials champion these changes, too. But while all these entities are keen on nontraditional programs, lack of coordination among them limits their effectiveness.

3. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005–2007 (NCES 2010–456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

6. For more information, see: *2009–10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Los Angeles's size dilutes its numerous pro-reform elements. Entrepreneurs will find various supports in the city, but will also struggle to effect real change.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Memphis?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	13 of 26	13 of 25	18 of 24	22 of 25	16 of 26	3 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Memphis and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Memphis City Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

Though **Memphis** does not face many barriers to reform that other communities encounter, such as a staunchly anti-reform teachers’ union or school district, until recently, the city suffered from a shortage

of ardent, active support for nontraditional initiatives. In other words, Memphis often falls short of moving beyond pro-reform rhetoric to effect real change. However, Memphis City Schools (MCS) recently received a \$90 million grant from the Bill & Melinda Gates Foundation for the purpose of overhauling teacher evaluation, compensation, and tenure policies.<sup>2</sup> This may force MCS out of “lip servicing” reform, in the words of one interviewee, and into meaningful change.

### Race to the Top Update: Tennessee—Memphis

Tennessee won round 1 of Race to the Top funding. It will receive approximately \$500 million over four years to implement its plans. Before winning, the state passed the “Tennessee First to the Top” Act, which allows the state to intervene in consistently failing schools; requires annual evaluations of teachers and principals; creates a fifteen-member advisory committee to recommend guidelines and criteria for teacher evaluations; allows local school systems to create their own salary schedules for teachers and principals (with state approval); and removes limitations on use of student-achievement data in teacher evaluations.

### Snapshot

Memphis has a growing supply of **human capital**. Though it lacks a locally grown talent pool, a spurt of education reform from 2004-2007 brought alternative certification programs such as Teach For America, The New Teacher Project (Memphis Teaching Fellows), and New Leaders for New Schools to the River City. The impact of these organizations is growing: The big Gates grant outsources all MCS

1. This profile provides a snapshot of the data collected for Memphis, Tennessee, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

2. This grant was awarded shortly after data were collected for this analysis, so any changes made as a result of the grant are not included in the study.

teacher recruitment and placement to TNTP, and recent legislation now allows all three organizations to certify their respective teachers and principals. Still, a restrictive collective bargaining agreement prioritizes ineffective veteran teachers at the expense of new talent.<sup>3</sup>

**Financial capital** in Memphis is available, but traditionally not abundant. Per-pupil expenditures in the district normed for the cost of living are relatively low. Still, MCS expends some of its own money to advance reform while actively seeking private dollars to support innovation. The local philanthropic base, however, is generally weak, aside from initiatives supported by one or two local foundations, and reformers often have to turn to national foundations for support—the aforementioned Gates grant being a prime example.

Memphis's **charter environment** suffers from weak support on the state level. Tennessee charter law does not allow charter schools funding equal to traditional schools. In addition, the state permits only districts to authorize charters, and it fails to hold authorizers—in this case MCS—accountable for charter performance.<sup>4</sup> Despite these setbacks, Memphis has attracted a small pool of high-profile charter organizations, such as KIPP and Building Excellent Schools; and local organizations maintain a focus on charter quality.

Still, state and local attention (outside of the charter sector) is mediocre when it comes to **quality control**. Tennessee boasts the longest-standing value-added data system in the country, and the state collects a wealth of student demographic, assessment, and transcript data. It even links these to teacher evaluations and higher education performance. But Tennessee does not present its data in an accessible, user-friendly manner, and assessment data are not necessarily a reliable measure of performance, considering how far the state assessment falls below the proficiency expectations of the National Assessment of Educational Progress (NAEP).<sup>5</sup> Moreover, on the local level, MCS does not use information to make real-time adjustments in practice or policy.

Despite collaborative initiatives with nontraditional and philanthropic providers, Memphis's **district environment** is lukewarm in its support of reform—or was, prior to the new Gates-funded work. Leaders communicate a sense of urgency about raising achievement and improving schools and often enjoy robust political support. On the other hand, MCS does not typically reward or encourage smart problem-solvers. Internal reform efforts also stalled with the 2007 exit of Superintendent Carol Johnson.

Support for nontraditional initiatives is relatively strong in Memphis's **municipal environment**. Philanthropies, businesses, and civic leaders all generally expend political and financial capital to advance reforms such as alternative certification, charter schools, and performance-based pay. For the most part, the *Commercial Appeal* publishes reform-friendly editorials and opinion pieces. Mayor A. C. Wharton also

3. For more information, see: *National Council on Teacher Quality, Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

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supports reform efforts, though not as much as the philanthropic and business communities. Memphis benefits from the support of Tennessee SCORE, a state-level advocacy organization for education reform.

## Bottom Line

Entrepreneurs will not encounter big barriers to reform when setting up shop in Memphis, but neither will they find commanding advocates within MCS. Fortunately, this may change with an influx of funding from Gates and the feds (via Race to the Top monies).

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

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**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Milwaukee?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	22 of 26	6 of 25	17 of 24	23 of 25	11 of 26	17 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Milwaukee and other cities in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Milwaukee Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Milwaukee** has the nation’s longest-running voucher program, dating to 1990, so it is no stranger to education innovation. The city has also struggled for decades with poor academic achievement, which has brought together civic, philanthropic, and business communities in support of education reform.

But these constituencies—and their dollars—have yet to build a strong enough consensus to challenge the inertia of the Milwaukee Public Schools (MPS). The district lacks bold leaders willing to ruffle feathers and advance reform. Though a handful of reform efforts have managed to gain traction in the city, charter schools and alternative certification programs among them, the need for change is far greater than the current solutions and resources available.

### Race to the Top Update: Wisconsin—Milwaukee

Wisconsin applied for both round 1 and round 2 of Race to the Top funding but was not chosen as a finalist in either round. In preparation for the competition, the state passed legislation that: streamlines state grants to Milwaukee Public Schools for improving student achievement; creates a P-16 data system; links student and teacher data; and requires school boards to consider principles and standards established by the National Association of Charter School Authorizers when approving charter schools. Legislation passed in anticipation of round 2 also gives the state superintendent authority to intervene in low-performing schools and districts.

### Snapshot

Milwaukee’s **human capital** pipelines are weak. Teach For America, The New Teacher Project (Milwaukee Teaching Fellows), and New Leaders for New Schools all operate here, though all are relatively recent arrivals and their combined constituencies are only just beginning to grow. But outside of these organizations, the city lacks a deep local talent pool, and entrepreneurs find it challenging to recruit outside

1. This profile provides a snapshot of the data collected for Milwaukee, Wisconsin, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).



talent. MPS is further hindered by a collective bargaining agreement that incorporates a “last hired, first fired” policy and protects potentially ineffective veteran teachers at the expense of new ones.

Milwaukee benefits from public and private sectors willing to expend **financial capital** to advance education reform. Per-pupil expenditures in MPS, normed for cost of living, are relatively high and the philanthropic sector is a significant contributor to reform. Both local and national philanthropies support such initiatives as charter schools, performance-based pay, and alternative teaching routes.

Milwaukee’s **charter environment** would benefit from improved state-level management. Wisconsin’s charter law does not provide adequate oversight of authorizers; moreover, charters typically receive only 70 percent of traditional school budgets on average.<sup>2</sup> Locally, however, the two main charter authorizers, MPS and the University of Wisconsin-Milwaukee, are both relatively selective and both intervene in—and occasionally shut down—low-performing schools. The city provides other options beyond brick-and-mortar charters, including virtual schools and a voucher program.

**Quality-control** metrics in Milwaukee are lackluster. Wisconsin’s state test is a poor measure of student achievement, markedly less rigorous than the National Assessment of Educational Progress (NAEP).<sup>3</sup> The state collects information across many student indicators but fails to match those data to teachers or to higher education systems.<sup>4</sup> (A new data system, established in November 2009, was implemented too late to be included in this analysis, but does begin to link student and teacher data.) Nor does MPS use these metrics to drive real-time improvement. Despite these shortcomings, interviewees report that the larger community is aware of the importance of using data and engaged in a rich dialogue about using them to inform achievement.

Milwaukee’s **district environment** is a significant barrier to reform. MPS leadership appears reluctant to disrupt the status quo. District leaders do not communicate a sense of urgency, make bold decisions, or have the political support they need to advance reform. Worse, they face a reform-averse teachers’ union that wields enough political influence to block or weaken such changes as alternative certification and performance pay.

Milwaukee’s **municipal environment** is open to reform, but stunted by the reality on the ground. The civic, philanthropic, and business communities are all willing to expend political capital to promote non-traditional reforms. Without district buy-in, however, there is little concrete action on the reform front. In other words, the pro-reform dialogue that exists does not necessarily spur change in the district, and does not result in action visible from a national perspective. National stakeholders perceive only a moderate disposition in Milwaukee to expend political capital to advance reform.

2. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

3. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

4. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).



## Bottom Line

Milwaukee is mediocre in its reform-friendliness. Entrepreneurs will find like-minded philanthropic and business partners that support nontraditional initiatives, but they will also find themselves trying to operate in tension with a district wedded to the status quo.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Newark?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	21 of 26	3 of 25	19 of 24	13 of 25	19 of 26	21 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Newark and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the Newark Public Schools.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Newark** has struggled to grow a critical mass of reform-minded education entrepreneurs. The state takeover of the Newark Public Schools (NPS) in 1995 diffused power among key leaders, stripping them of the ability to push for bold reform. The weak district continues to struggle with this arrangement,

especially in the face of a centralized, vocal, and anti-reform teachers’ union. But the city has seen some changes of late: Mayor Cory Booker and Superintendent Clifford Janey are both vocal supporters of reform. National and local philanthropies, as well as nonprofits, provide nontraditional providers with a necessary base of support.

### Race to the Top Update: New Jersey—Newark

New Jersey applied for round 1 of Race to the Top funding but was not chosen as a finalist. The state reapplied for round 2 and was chosen as a finalist.

### Snapshot

Newark’s **human capital** pipelines are limited. Although Teach For America, The New Teacher Project, and New Leaders New Schools all contribute to the talent pool in Newark, their presence remains relatively small—not because of lack of interest, but because NPS fails to open wide its hiring processes to capitalize on the availability of talent. NPS maintains inefficient hiring cycles and adheres to “last hired, first fired” seniority-based layoff procedures. Such policies institutionalize low teacher-turnover rates (when some teachers need to go) and protect ineffective veteran teachers during layoffs.

1. This analysis examines the reform environments in the nation’s twenty-five largest cities, plus five additional smaller communities. We reasoned that, as alleged “hotbeds” of reform, these five would permit comparisons of conditions in big cities with those of smaller but potentially more nimble locales. In addition to Newark, NJ, these smaller cities include Albany, NY; Gary, IN; New Orleans, LA; and Washington, D.C.

2. This profile provides a snapshot of the data collected for Newark, New Jersey, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

**Financial capital** pipelines are extraordinarily strong in Newark. NPS per-pupil expenditures, normed for the cost of living, are the second highest among districts in this analysis. Money may not guarantee strong schools—and in Newark, it certainly doesn’t—but it does create fertile soil for entrepreneurs. Public and private sectors make funding readily available for nontraditional providers, with both local and national organizations ensuring that such reforms get an ample supply of philanthropic funds.

Newark’s **charter environment** suffers from poor institutional support. State law permits only the state commissioner of education to grant charters.<sup>3</sup> As an authorizer, the commissioner is somewhat selective in granting charters but makes little effort to improve existing low-performing charter schools.<sup>4</sup> The charter sector’s saving grace in Newark is strong support from organizations like the Newark Charter School Fund. Local charter support organizations emphasize charter school quality and work to improve low-performing schools. Newark is also home to quite a few high-performing charter schools (e.g., North Star Academy and KIPP).

**Quality control** is not a high priority in Newark. Neither the state nor NPS manages data in a way that informs or drives needed change. State data collection is not robust, uniform, or presented in a user-friendly manner.<sup>5</sup> Moreover, NPS fails to utilize data to make real-time adjustments in practice or policy—though this may gradually change, thanks to a new research collaborative between NPS and Rutgers University. Despite the data issues, support organizations outside of NPS do help nontraditional providers navigate finances, facilities, and regulatory guidelines.

The **district environment** within NPS does not embrace reform. The state takeover dispersed the authority to make bold decisions; a tense relationship between the state-appointed advisory board and the superintendent complicates the situation. The local teachers’ union presents a more unified front, opposing reforms such as alternative certification, charter schools, and performance pay. But the recent appointment of Superintendent Clifford Janey and the launch of an administrative training program may serve to revitalize the district.

Entrepreneurs will find some support in Newark’s **municipal environment**. Civic leaders, business, and philanthropic communities are all well disposed toward education reform. Mayor Cory Booker specifically is willing to expend political capital for this purpose, though he may effect more change in rhetoric than reality. On the other hand, the *Newark Star-Ledger* is still neutral, if not hostile, to reform efforts.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. In January 2010 (after data were collected), Bret Schundler took office as the new commissioner of education, and Chris Christie took office as governor.

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

After years of dysfunctional district management, entrepreneurs will find pro-reform leaders and organizations beginning to threaten the status quo in NPS. Still, a reform-averse teachers' union and restrictive teacher hiring policies could hamper needed reforms.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is New Orleans?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	2 of 26	1 of 25	1 of 24	8 of 25	2 of 26	18 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for New Orleans and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the Recovery School District.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**New Orleans** is the best city in this study for reformers looking to set up shop. After the devastating blow of Hurricane Katrina in 2005, the Big Easy jumped on its unique opportunity to rebuild the city—and its once-abysmal schools—from the ground up. National attention has funneled both talent and

finances into the city, and a breakdown (literally) of physical and organizational structures has given innovators something approaching a blank slate. In particular, the expansion of the state’s Recovery School District (RSD)—originally created in 2003 to serve low-performing schools—has introduced a centralized power structure, separate and apart from traditional districts, that begets bold, effective leadership.

### Race to the Top Update: Louisiana—New Orleans

Louisiana applied for round 1 of Race to the Top funding and was selected as a finalist, but ultimately lost. The state reapplied in round 2 and was again chosen as a finalist, after approving a bill that requires the use of value-added assessment data in school and teacher evaluations. At press time, a second bill was pending in the Senate that would allow district schools to apply for exemptions from typical district rules and regulations.

### Snapshot

New Orleans’s **human capital** pipelines are strong. Though it is historically home to a limited talent pool, post-Katrina attention and interventions have attracted many new entrepreneurs to the city. RSD works

1. This analysis examines the reform environments in the nation’s twenty-five largest cities, plus five additional smaller communities. We reasoned that, as alleged “hotbeds” of reform, these five would permit comparisons of conditions in big cities with those of smaller but potentially more nimble locales. In addition to New Orleans, LA, these smaller cities include Albany, NY; Gary, IN; Newark, NJ; and Washington, D.C.

2. This profile provides a snapshot of the data collected for New Orleans, Louisiana, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

collaboratively with a number of alternative certification programs such as The New Teacher Project (TeachNOLA Teaching Fellows) and New Leaders for New Schools—and Teach For America has trained teachers in New Orleans for twenty years. With no collective bargaining agreement—RSD is the only district in this analysis devoid of a teachers' union contract or its equivalent—talent and ability become essential elements of teacher hiring processes.

New Orleans enjoys a wealth of **financial capital** across both the public and private sectors, placing the city above all others in this category. When normed for the cost of living, RSD spends more per pupil than any other district in this analysis. RSD also actively seeks private dollars for innovative programs, and both national and local philanthropies ensure that such initiatives get their fair share of money. Still, the high rate of poverty in the city cannot be ignored; although the influx of private funds from outside New Orleans has spurred organizational improvement in the education sector, many city residents remain extremely poor.

The **charter environment** thrives in New Orleans. Louisiana state law places no cap on the number of schools that can operate, and it provides for adequate funding of both charters and authorizers.<sup>3</sup> The Louisiana Charter School Start-Up fund also provides zero-interest loans for charter schools to use for facilities—an element of charter funding that many states ignore. New Orleans leads the country in its percentage of students in charters at 57 percent.<sup>4</sup> And despite their preponderance, quality control remains crucial—the Louisiana Board of Elementary and Secondary Education, as well as external charter support organizations, emphasize selectivity and seek to improve low-performing schools.

New Orleans has many robust **quality-control** metrics in place. The state collects longitudinal data and matches student test scores with individual teachers—though it does not always make this information easily accessible, and the data, while extensive, sometimes go unused.<sup>5</sup> On the ground, there's a general awareness that city schools must be improved and that data must be used to measure progress.

Much of New Orleans's overall openness to reform is a result of the forward-thinking **district environment** in and around RSD. With no collective bargaining agreement, the teachers' union wields almost no power to block or weaken reforms, and is generally focused on narrow issues such as dismissal hearings. RSD leadership, particularly Superintendent Paul Vallas, makes bold decisions and communicates a sense of urgency. The district's unique circumstances—its charge, essentially, to rebuild and rejuvenate New Orleans schools from the ground up—significantly shape its core mission and general approach.

Harsh criticism of former mayor Ray Nagin clouds an otherwise-positive view of New Orleans's **municipal environment**. Overall, civic leaders, businesses, and philanthropies are willing to expend political capital to support nontraditional education initiatives, and the editorial pages of the *Times-Picayune* generally favor such reforms. Mayor Mitch Landrieu took office in May 2010 (after data were gathered for this report), and thus far has followed up on his reform-friendly campaign rhetoric.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

New Orleans is the most reform-friendly city in this analysis. Entrepreneurs will find strong human capital pipelines, readily available funding, and a pervasive enthusiasm for reform driven by post-Katrina recovery.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.



## How reform-friendly is New York City?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	3 of 26	8 of 25	10 of 24	2 of 25	8 of 26	13 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for New York City and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the New York City Department of Education.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

As the largest school system in the country—serving nearly a million students—**New York City** faces unique challenges. Yet it’s managed to become an entrepreneurial hotspot, largely due to the efforts of mayor Michael Bloomberg and schools chancellor Joel Klein. Both receive plaudits for opening doors to charter schools, venture capital, and nontraditional talent. Their “portfolio” district model, wherein more

autonomy is conferred on individual schools while centralizing middle management, has also been well received—as have innovations such as School of One, a technology-infused pilot program that personalizes student learning. These accomplishments have not come without costs, however. Many groups, including community and parent organizations as well as the teachers’ union, have felt alienated by the Bloomberg/Klein top-down management style and the speed and scale of the changes.

### Race to the Top Update: New York—New York City

New York applied for round 1 of Race to the Top funding and was selected as a finalist, but ultimately did not win. The state reapplied for round 2 and was again named a finalist. In advance of the competition, legislators passed measures that: establish new teacher and principal evaluation protocols that allow for 40 percent of each evaluation to be based on student growth; raise the charter cap from 200 schools to 460 schools, with the provision that only 114 of the new schools can be located in New York City; allow financial audits of charter schools by the state comptroller; hold charter schools more responsible for enrolling and serving special needs students; and create a statewide charter school enrollment application.

1. This profile provides a snapshot of the data collected for New York City, New York, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

## Snapshot

New York City's **human capital** pipelines are robust. It hosts myriad alternative certification programs, including the nation's largest cohorts of teachers trained by Teach For America and The New Teacher Project (New York Teaching Fellows), though these teachers make up just a small percentage of the huge teacher workforce. The city also has a deep pool of local talent and, given its many lures and amenities, it's easy to recruit outside talent to move there. Still, roadblocks remain: A complex and restrictive collective bargaining agreement protects veteran teachers at the expense of new talent and precludes efficient integration of human capital to the city's classrooms.<sup>2</sup> This has ignited ongoing political battles as the city contemplates if and how to make the least damaging layoffs in light of the financial crisis.

The city's **financial capital** pipelines are in good shape. It is home to numerous local philanthropies, as well as the headquarters of a few national ones. These groups have for the most part worked in partnership with the New York City Department of Education (NYCDOE), which actively seeks out dollars and has a coherent vision for spending them. Yet the city's sheer size—and sky-high cost of living—blunt the impact of reform dollars.

New York City's **charter environment** includes many high-quality schools. State law allows for multiple authorizers; the State University of New York (SUNY), the NYS Board of Regents, and NYCDOE all operate locally and emphasize charter quality. But charter schools serve just 2 percent of Big Apple students overall, though Harlem and central Brooklyn enjoy notably higher densities of charters (18 and 16 percent of all neighborhood schools, respectively).<sup>3</sup> Charters enjoy much local support: NYCDOE provides start-up funding on top of state dollars, access to facilities, and special education services, and many city- and state-level organizations advocate for and provide technical support to the sector. Still, state law does not provide equitable funding for charters,<sup>4</sup> and union-backed legislators bickered for months before finally lifting the charter cap in response to Race to the Top (though this change is not reflected in this analysis). The teachers' union was the main opponent to lifting the cap and its hostility to charters has not abated.

**Quality-control** mechanisms in the Big Apple are quite good. The state's longitudinal data system is judged to be adequate by the Data Quality Campaign, and though the state test is less rigorous than the National Assessment of Educational Progress (NAEP), it is not as poor as many other state tests considered in this analysis.<sup>5</sup> But local efforts have made the most difference. Under Klein's leadership, NYCDOE has become relentless in its pursuit of data. This has been revolutionary for the district, but not without side effects. Trial and error brought many changes very quickly; some city metrics proved to

2. For more information, see: *National Council on Teacher Quality, Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. Citywide data from National Alliance for Public Charter Schools, 2009. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009). Data specific to Harlem and Central Brooklyn from New York City Charter School Center, <http://nyccharterschools.org/>.

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be flawed, rendering them untrustworthy as independent audits of schools. Respondents indicated that the district is aware of this and is working to correct its system's problems.

Entrepreneurs will find a relatively welcoming **district environment**. On the one hand, NYCDOE leadership is a strong voice for reform, communicating a sense of urgency about student achievement and willing to make bold moves to see its reform vision put into action. And mayoral control has allowed Klein to make key changes. On the other, Klein's boldness has alienated some community, teacher, and parent groups. While Klein and the UFT have compromised on some issues, NYCDOE personnel policies are largely tied up in debilitating, union-induced restrictions. The local union remains a powerful force in Albany, too.

Mayoral control and a reform-friendly community of businesses and philanthropies make for a hospitable **municipal environment**. Bloomberg has tied the success of his mayoralty to the success of the city's public schools, which means that not only is education one of his top priorities, but he is willing for the most part to do whatever it takes to advance education reform. His top-down approach, however, can be alienating to parent and community groups, some of whom are uncomfortable with the rapid and pervasive change he champions.

## Bottom Line

New York City is a welcoming place for entrepreneurs. Its wealth of resources, including both talent and dollars, combines with determined, reform-minded city and district leadership to create a thriving environment for education reform.

## Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

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**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Philadelphia?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	19 of 26	24 of 25	N/A	18 of 25	22 of 26	23 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Philadelphia and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the School District of Philadelphia.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*Our analysis of Philadelphia was limited by a low response rate on the local stakeholder survey. This resulted in too few indicators to calculate a ranking for Charter Environment (see Methodology in Appendix A). Still, we include here information from the local responses that we did receive as well as publicly available data, national survey responses, and interviews.*

#### Race to the Top Update: Pennsylvania—Philadelphia

Pennsylvania applied for round 1 of Race to the Top funding. It was chosen as a finalist, but ultimately lost. The state reapplied for round 2 and was again chosen as a finalist.

Though **Philadelphia** saw a focused interest in education reform under the leadership of Paul Vallas from 2002 to 2007, subsequent administrative turnover and a charged partisan atmosphere hinder Philadelphia from realizing its full reform potential. Superintendent Arlene

Ackerman has continually restructured the district administration office, diluting the centralized leadership necessary to counter sharp political and ideological divides. Even a unique governance structure, which allows for a School Reform Commission (SRC) jointly appointed by the mayor and governor, does not ease this dysfunction; both municipal leadership and the SRC talk about initiating change, but each remains unwilling to ruffle feathers or reach across the aisle to negotiate.

### Snapshot

Philadelphia suffers from weak human capital pipelines. Though both Teach For America and The New Teacher Project operate in the city, their presence remains relatively small. Beyond these organizations,

1. This profile provides a snapshot of the data collected for Philadelphia, Pennsylvania, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

the local talent pool is limited, and talent is not easily drawn to the City of Brotherly Love. A highly restrictive collective bargaining agreement adheres to “last hired, first fired” policies that keep fresh talent out of the classroom.<sup>2</sup> (A new contract, signed in 2010, is less restrictive, but arrived too late to be considered in this analysis).<sup>3</sup>

Entrepreneurs will struggle to find available **financial capital** in Philadelphia. The School District of Philadelphia (SDP) spends less per pupil than most cities analyzed in this report, and the district balks at spending its own money on nontraditional initiatives or seeking non-public funding for innovative programs. Local and national stakeholders are ambivalent about private support as well, noting that philanthropies have little real effect on the education reform movement in Philly.

Though we were unable to grade Philadelphia’s **charter environment** due to data limitations, available information presents a disappointing picture of the city’s charter sector. Pennsylvania’s charter law allows only school districts and the state department to authorize schools. While the state places no cap on charter school growth, it does not adequately hold schools accountable for outcomes.<sup>4</sup> Despite lackluster support from local advocacy organizations, Philadelphia is home to a sizeable share of charter schools.<sup>5</sup>

Philadelphia has **quality-control** metrics in place but avoids using them to support tough decision-making. Pennsylvania’s data reservoirs are deep, if not very user-friendly.<sup>6</sup> The state test is closer to the rigor of the National Assessment of Educational Progress (NAEP) than many other state tests in this analysis.<sup>7</sup> On the ground, however, the SDP does not use data to drive real-time changes. Politicians from the governor down to the SRC recognize the need for change, but often shy away from making tough decisions.

Philadelphia’s **district environment** is marked by partisan politics and plagued by turnover. Despite a unique governance structure intended to consolidate leadership—SRC, the local school board equivalent, is appointed by the governor and mayor—administrative turnover since the departure of Superintendent Paul Vallas in 2007 has diluted leadership authority. Leadership often shakes out on the side of the status quo and fails to make bold decisions or reward smart problem-solvers. The teachers’ union wields significant political influence, rejecting reforms such as alternative certification, charter schools, and performance-based pay. Still, roughly forty institutions within the SDP are run in whole or in part by private contractors. This outsourcing to outside providers nonetheless allows the district to retain control and is an innovation worth watching.

2. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. The main provisions of the contract are the inclusion of school-based, “value-added” compensation; a 3 percent teacher raise; peer assistance and review for struggling teachers; and increased district control over failing schools.

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

6. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

7. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

Partisan politics saturate Philadelphia's **municipal environment** as well. Civic, business, and philanthropic leaders are willing to expend some political capital to advance nontraditional reforms, but reform only comes about when one side can overpower the other, rather than meet in the middle.

## Bottom Line

In addition to a powerful union and weak human- and financial-capital pipelines, Philadelphia's political divisions create a charged atmosphere in which it is difficult to build a united front for reform. Entrepreneurs will struggle to find common ground in the City of Brotherly Love.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.



## How reform-friendly is Phoenix?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	N/A	N/A	4 of 24	N/A	N/A	N/A

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Phoenix and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as Mesa Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*This analysis of Phoenix was severely limited by a 0 percent response rate on the national stakeholder survey and a low response rate on the local stakeholder survey. The dearth of resulting data yielded too few indicators to calculate a final grade or ranking for most areas (see Appendix A for Methodology). Still, we include here information from the local responses that we did receive, as well as publicly available data and interviews.*

### Race to the Top Update: Arizona—Phoenix

Arizona applied for round 1 of Race to the Top and was not chosen as a finalist. The state reapplied for round 2 and was named a finalist. Before round 2, Arizona passed a number of education-related reforms that: create a task force to craft accountability and assessment measures for Kindergarten through third grade; develop a grade-based ranking system for schools; provide for creation of an alternative high school diploma; establish competency requirements for promotion of third grade; and establish teacher and principal evaluation based 33-50 percent on student achievement.

Local respondents and interviewees paint a rosy picture of Phoenix as a hotspot for nontraditional initiatives. They suggest that a pro-reform district, a weak teachers’ union, and a thriving community of business, philanthropy, and advocacy organizations together create an environment conducive to reforming schools in the Phoenix area. Without a national perspective, however, it is difficult to tease out a balanced view of the city.

### Snapshot

Phoenix is home to a moderate supply of talented **human capital**. It contains a handful of alternative certification programs, such as Teach For America—which has operated there since 1994—and The

1. This profile provides a snapshot of the data collected for Phoenix, Arizona, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_american-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_american-best-and-worst-cities-for-school-reform).

New Teacher Project (Phoenix Teaching Fellows). But recruiting to the Phoenix metro area can be tricky, and once there, unconventional talent is largely barred from permeating Mesa Public Schools (MPS). Inefficient district hiring routines and slow HR cycles, in addition to a “last hired, first fired” layoff policy, deter fresh talent from the MPS classroom.

### Why Mesa Public Schools?

The Phoenix metropolitan area contains multiple municipalities and more than fifty autonomous school districts: at least twenty-six “elementary” districts, nine “high school” districts, and others that combine various grade levels. (The state also directly authorizes many local charter schools.) The complex manner in which municipal and school-district boundaries intersect—or don’t—is mostly a mystery, even to many who live there. Thus, education governance in Phoenix is a blur and no *one* entity is in charge of the public schools. Choosing a “primary” school district in Phoenix, then, is a daunting challenge. In the end, the authors settled on Mesa Public Schools; with almost 70,000 pupils, it is the largest district in the Phoenix metropolitan area as well as in the state. The selection of Mesa—which is both suburban and urban in demographics and culture—is an imperfect choice for evaluating district-level reform in the Valley of the Sun, but given the fractured structure of public education in the Phoenix area, no district emerged as the flagship.

Phoenix’s lack of available public-sector **financial capital** is masked by generous private funding channels. MPS, for instance, spends less per student in inflation-adjusted dollars than almost any other school district in this report. But private sources help to fill the void: Philanthropies, businesses, and advocacy organizations collaboratively invest in education—but those investments are not, of course, all channeled to entrepreneurial reforms.

Phoenix’s **charter environment** is sizable and adequately supported. Arizona sets no limit on the number of charter schools that can exist—good for entrepreneurs looking to set up shop—but it does not maintain adequate authorizer oversight or equitably fund charter schools.<sup>2</sup> Arizona

grants a longer charter than almost any other state, which allows unsuccessful schools—of which there are many in Phoenix—to stay in business. Fortunately, other entities stress quality: The Arizona Charter School Association and other local support organizations emphasize performance and seek to improve low-performing charters.

Data in this analysis that speak to **quality control** in Phoenix are scarce, but it is clear that the metro area—and state—could do more to measure quality and use data to drive reform. Arizona collects student-level data on demographics, enrollment, longitudinal test scores, and graduation rates, but it does not match student data to teachers or collect transcript and college-readiness data, nor does it raise awareness of the data that it collects to drive change on the ground.<sup>3</sup> At the local level, MPS does use its data to drive reform, but only to a small degree.

The **district environment** in MPS is open to reform. MPS leaders generally communicate a sense of urgency and in November 2009 secured, in conjunction with Mesa Community College, a \$250,000

2. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

3. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

planning grant from the Gates Foundation to develop an education-reform strategy in collaboration with the broader community. The local teachers' union does not play a key role in MPS; as a right-to-work state, the union wields less power than in other locales and alone cannot block or weaken reforms.

Phoenix's **municipal environment** is a mixed bag when it comes to education reform. The philanthropic and business communities are supportive of alternative certification, charter schools, and performance-based pay. Intense collaboration over reform efforts have resulted in a proliferation of organizations such as Expect More Arizona, Beat the Odds Institute, and Stand for Children-Arizona—some of which are more reform-friendly than others. Still, political bickering can retard reform initiatives in Phoenix and the state at large. The state superintendent of public instruction is an elected position, and partisan gridlock can hinder reform if the superintendent and governor hail from different parties.

### Bottom Line

Entrepreneurs will find support for nontraditional reforms within both the private and public sectors, a vibrant Phoenix metro area, scads of charter schools, and lots of recent reform activity. But they must be willing to counter potential roadblocks within MPS, partisan politics, and a fragmented school-governance apparatus that makes it hard to effect large-scale change.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal

guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is San Antonio?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	N/A	N/A	N/A	N/A	N/A	N/A

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for San Antonio and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the San Antonio Independent School District.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*Our analysis of El Paso was limited by a low response rate on national and local surveys. This resulted in too few indicators to calculate a final grade or rankings (see Appendix A for Methodology). Still, we include here information from the local and national survey responses that we did receive as well as from publicly available data and interviews.*

#### Race to the Top Update: Texas—San Antonio

Texas did not apply for either round of Race to the Top funding. Indeed, Texas governor Rick Perry has been a vocal critic of the competition, citing it as an example of federal overreach.

School reform in **San Antonio** is fragmented. Though the city has a history of reform, Bexar County, of which it is the seat, contains seventeen separate school districts, meaning that the San Antonio Independent School District (SAISD), the primary district we chose to evaluate, is

only part of the larger reform conversation. SAISD itself is led by reform-minded Superintendent Robert Duron, who is not afraid to ruffle feathers while addressing the unique challenges of his system. San Antonio has, and is still experiencing, significant middle-class flight to the suburbs, which, combined with an increasing Hispanic population, presents a challenging situation: A large population of English language learners but a shrinking tax base through which to finance their education. Duron has been open to innovative solutions to this problem, but is facing typical entrenched education interests as represented on the school board and local teachers’ union. Interestingly, reforms in surrounding districts, such as a long-standing voucher program in the nearby Edgewood Independent School District, have reflected positively on San Antonio’s reputation for school reform.

1. This profile provides a snapshot of the data collected for San Antonio, Texas, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

## Snapshot

San Antonio's **human capital** pipelines are mediocre. The city benefits from a moderately stocked local talent pool, but retro hiring and firing practices in SAISD render the integration of fresh talent into the school system difficult. This may change as recently arrived national programs like Teach For America and The New Teacher Project—which runs the Texas Teaching Fellows program—continue to grow.

**Financial capital** is relatively easy to obtain in San Antonio. Generous local philanthropy helps to compensate for not-so-robust public pipelines. Superintendent Duron and his team have played a part in attracting private capital to education, acting as vocal advocates for their system and encouraging philanthropies which may be slow to come to the education reform table. (The aforementioned Edgewood district was able to carry out its voucher program through a major private gift.)

Though a significant portion (21 percent) of students in SAISD is served by **charter schools**, the schools themselves are not well supported.<sup>2</sup> Texas's charter laws are lackluster in several areas, including authorizer quality and school funding,<sup>3</sup> while the city's largest authorizer, the state Texas Education Agency, is not known for its attention to school quality. Still, the city enjoys some intriguing charter school partnerships, such as between SAISD and Henry Ford Academy (HFA), a fine arts charter school started in Michigan: In return for SAISD facilities to operate its own school, HFA provides SAISD with its renowned arts curriculum.

San Antonio's **quality-control** mechanisms exist more on the state than local level. State-level data systems are robust and well managed.<sup>4</sup> But the rigor of the state test is unimpressive when compared to the National Assessment of Educational Progress (NAEP).<sup>5</sup> SAISD itself does not utilize quality-control metrics to inform changes in policy and practice—but respondents admit that this has actually served nontraditional providers well since it makes entering the market easier. (This is problematic, of course, if it means that shoddy operators are left alone.)

The **district environment** in SAISD is quite strong when it comes to nontraditional reform. Not only is the district office well managed and responsive, but its leaders communicate a sense of urgency about education reform. Duron has increasingly been willing to rock boats, likely to the dismay of a strong school board who hired him, and other entrenched education interests, which collectively act as a counterweight to his efforts. The San Antonio Alliance for Teachers and Support Personnel is also able to sling its weight around despite having no legal contract with the district (Texas is a right-to-work state).

Similarly, San Antonio's **municipal environment** is quite reform-friendly. The city's education reform movement has benefited from a succession of mayors willing to expend political capital on nontradi-

2. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

5. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

tional reforms. Former mayor Phil Hardberger was dedicated to forging partnerships with all seventeen school districts in the metro area. His successor, Julian Castro—an up and coming Democratic Hispanic politician who took office in June 2009—maintains a no-nonsense approach and has identified education as one of his top priorities. Fortunately for him, Castro has found San Antonio’s philanthropic and business communities also supportive of education reform.

## Bottom Line

With decent talent pipelines, a significant charter sector, and supportive civic, philanthropic, and business communities, San Antonio has many of the tools it needs to welcome education entrepreneurs. But its fragmented organizational structure—particularly the multiplicity of separate school districts, each with its own bureaucracy—will present practical roadblocks to reformers looking to enter this market.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization’s central office or to fill the district’s classrooms. This component evaluates an entrepreneur’s ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

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**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.



**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is San Diego?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	25 of 26	23 of 25	7 of 24	19 of 25	23 of 26	10 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for San Diego and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the San Diego Unified School District.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**San Diego** provides a significant challenge for any entrepreneur looking to establish new roots. With the 2005 departure of Superintendent Alan Bersin—who led an era of vigorous reform initiatives within San

#### Race to the Top Update: California—San Diego

California applied for round 1 of Race to the Top funding and was not chosen as a finalist. The state reapplied for round 2 and was chosen as a finalist. In advance of the competition, California passed legislation that allows parents to petition for a change in the structure and leadership of a failing school; lifts the charter cap; links student data to teacher employment and evaluation; revises the state’s strategic plan for use of data; and establishes inter-district open-enrollment for students in a failing school or district.

Diego Unified School District (SDUSD)—school reform efforts outside the charter sector have largely stalled. An anti-reform union holds heavy sway over the school board; their hostility to reform has led to a revolving door of superintendents—most recently the estimable Terry Grier. Fragmented support for nontraditional education initiatives across the business, philanthropic, and media communities further hinders meaningful reform.

### Snapshot

San Diego’s education sector lacks a robust **human capital** pipeline. While many California cities are home to national alternative certification programs, San Diego has only a handful of local, university-run programs. SDUSD alienates the talent that does exist by maintaining inefficient hiring routines that keep

1. Our analysis of San Diego was limited by a low response rate on the national stakeholder survey; therefore, those responses were not calculated into the rankings or final grade (see Methodology in Appendix A). Still, we include here information from the national survey responses that we did receive as well as publicly available data, local survey responses, and interviews.

2. This profile provides a snapshot of the data collected for San Diego, California, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

alternatively certified instructors out of the classroom. A highly restrictive collective bargaining agreement protects the jobs of ineffective veteran teachers at the expense of fresh talent.<sup>3</sup>

San Diego suffers from a lack of **financial capital**, compounded by SDUSD's reluctance to actively seek funding for reform. Like other California cities, San Diego faces a budgetary crisis and spends significantly less per student than most other cities in this study. With its purse strings tight, the district funnels its money towards basic needs and requirements. Though private money is available, SDUSD does not actively seek it out. Both local and national philanthropies promote school reform in San Diego but they rarely team up to leverage their potential influence.

Entrepreneurs will, however, find a supportive **charter environment** in San Diego. By law, California charter schools enjoy equitable access to operational and facilities funding, though obtaining that funding is easier said than done. State law also prescribes robust authorizer accountability provisions.<sup>4</sup> On the ground, SDUSD is selective about which charters are approved. A sizable charter support community emphasizes quality and seeks to shut down low-performing schools.

San Diego has pieces of a **quality-control** infrastructure in place but no one integrates them or puts them to optimal use. California's state data system is expansive, with the ability to match individual student performance to classroom teachers. But the state falls short of building data repositories or promoting awareness of available data.<sup>5</sup> On the ground, San Diego backslides further: SDUSD fails to use metrics to drive real-time reform; its use of data actually hinders the operations of nontraditional providers, and no local counterbalances—such as mayoral staff or other municipal leaders—help such providers to overcome legal obstacles or district resistance.

The **district environment** in SDUSD is hostile to reform. The teachers' union wields considerable influence over the district. District leadership itself is weak as a result of discontinuity associated with union power. Since the departure of Superintendent Alan Bersin in 2005, the union and the anti-reform school board that it dominates have unraveled earlier reform efforts and blocked current initiatives. Reform-minded superintendents—such as Terry Grier, who has since moved to Houston—eventually have been hobbled or driven away. The result is an environment hostile to smart problem-solvers and bold reformist initiatives.

San Diego's **municipal environment** is somewhat supportive of reform but suffers from fragmentation. While the mayor and other city leaders decline to expend political capital to advance education reform, the business, philanthropic, and media communities largely support nontraditional ventures—but do not collaborate to advance common goals. San Diego's municipal environment would benefit greatly from a coherent vision and cooperation across organizations.

3. For more information, see: *National Council on Teacher Quality, Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

San Diego's reform movement labors under an anti-reform school district, although the charter sector has fared well. The likelihood of other entrepreneurs' success is negatively impacted by a disjointed reform community.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is San Francisco?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	4 of 26	22 of 25	3 of 24	6 of 25	17 of 26	16 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for San Francisco and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the San Francisco Unified School District.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the

authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Race to the Top Update: California—San Francisco

California applied for round 1 of Race to the Top funding and was not chosen as a finalist. The state reapplied for round 2 and was chosen as a finalist. In advance of the competition, California passed legislation that allows parents to petition for a change in the structure and leadership of a failing school; lifts the charter cap; links student data to teacher employment and evaluation; revises the state’s strategic plan for use of data; and establishes inter-district open-enrollment for students in a failing school or district.

### Background

On the surface, **San Francisco** has everything an entrepreneur might desire: a deep local talent pool, established metrics to gauge the quality of services and pro-

grams, a thriving charter school sector, and business and philanthropic support for reform. In practice, however, entrepreneurs must jump through multiple hoops to get a foothold in this city, where the school system shows little urgency to reform itself, lacks funding, and is plagued by a resistant teachers’ union.

### Snapshot

San Francisco’s **human capital** pipeline is filled with the young and talented.<sup>2</sup> National alternative certification pipelines abound: Teach For America’s Bay Area branch has operated for nearly twenty years, New Leaders for New Schools for almost ten, and the New Teacher Project runs a nearby Oakland Teaching Fellows program. The city is also a hotspot for entrepreneurs in a variety of industries. Unfortunately, this talent doesn’t always make it into San Francisco Unified School District (SFUSD): inefficient hiring routines and “last fired, first hired” policies favor veteran teachers over new ones.

1. This profile provides a snapshot of the data collected for San Francisco, California, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

2. The 2000 Census reported an average age of 36.4 in San Francisco.

Like most of California, San Francisco suffers from a shortage of **financial capital**, exacerbated by the state's budget crisis. SFUSD's per-pupil expenditures normed for the cost of living are lower than any other primary school district in this analysis. Still, SFUSD does spend its own money on nontraditional education tools and programs, and both local and national foundations help to fill in funding gaps. Yet nontraditional endeavors struggle to find funding from both the public and private sectors. Shortages drive demand, and both are ubiquitous in the Golden Gate city.

The **charter environment** thrives here. California charter law holds charter authorizers responsible for maintaining high-performance expectations and for making transparent renewal, nonrenewal, and revision decisions based on the results of a variety of data.<sup>3</sup> Local charter support is strong, too. SFUSD, the largest local authorizer, is highly selective in awarding charters and actively seeks to improve its low-performing charters; the California Charter Schools Association even awarded SFUSD its "Authorizer of the Year" in 2009.<sup>4</sup>

San Francisco has strong **quality-control** metrics in place, but they do not necessarily drive reform. California's state data system is expansive: The state collects robust student-level data and can match individual student performance to classroom teachers. But the state falls short of linking data across indicators, building data repositories, or promoting awareness of available data.<sup>5</sup> Thus, its rich reservoir of data remains inadequately tapped at the local level: San Francisco's district and municipal leaders do not use data to make real-time adjustments or to aid in the establishment of nontraditional programs.

San Francisco's **district environment** is open to reform but lacks bold leaders to advance it from within. The district culture is often aloof to smart problem-solvers. A powerful teachers' union resists alternative certification, charter schools, and performance-based pay. Still, SFUSD boasts partnerships with the NewSchools Venture Fund, Envision Schools, KIPP, and the alternative human capital programs listed above, in addition to a partnership with The New Teacher Project to evaluate its teacher hiring, assessment, and evaluation policies. Entrepreneurs with enough gumption may be able to make inroads.

Support for nontraditional providers is evident but not overwhelming in San Francisco's **municipal environment**. The business and philanthropic communities are somewhat willing to expend political capital to advance reforms such as alternative certification, charter schools, and performance-based pay. The mayor takes a more ambivalent approach, although he has little influence over the school system. The editorial pages of the *San Francisco Chronicle* and other media outlets are ambivalent about reform as well.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. "San Francisco Unified School District Awarded 'Charter School Authorizer of the Year,'" *Business Wire*, March 12, 2009, <http://www.allbusiness.com/education-training/education-systems-institutions-primary/11811733-1.html>.

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

San Francisco presents both opportunities and obstacles for nontraditional start-ups. Though the district lacks a sense of urgency towards reform—and the funds to adequately support reform—entrepreneurs venturing to San Francisco will find external supports and lots of talent.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.



## How reform-friendly is San Jose?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	17 of 26	25 of 25	5 of 24	15 of 25	20 of 26	14 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for San Jose and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the San Jose Unified School

District.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Race to the Top Update: California—San Jose

California applied for round 1 of Race to the Top funding and was not chosen as a finalist. The state reapplied for round 2 and was chosen as a finalist. In advance of the competition, California passed legislation that allows parents to petition for a change in the structure and leadership of a failing school; lifts the charter cap; links student data to teacher employment and evaluation; revises the state’s strategic plan for use of data; and establishes inter-district open-enrollment for students in a failing school or district.

### Background

Despite the abundance of business entrepreneurs in **San Jose**, a lack of education-

specific enthusiasm—coupled with a severe funding crisis—render the city a tepid environment for education reform. While the teachers’ union is the only strong anti-reform voice in the city, other entities do little to actively promote nontraditional initiatives. Still, charter schools thrive here, largely due to the pro-reform oversight and influence of the Santa Clara County Office of Education.<sup>3</sup>

### Snapshot

San Jose’s **human capital** pipelines benefit from the city’s location in Silicon Valley. Innovative and entrepreneurial thinkers overflow the local talent pool—and easily attract even more talent—but not necessarily within the education sector. The San Jose Unified School District (SJUSD) is itself locked into a restrictive contract with the teachers’ union that prioritizes veteran teachers at the expense of

1. Our analysis of San Jose was limited by a low response rate on the local stakeholder survey; therefore, those responses were not calculated into the rankings or final grade (see Methodology in Appendix A). Still, we include here information from the local survey responses that we did receive as well as publicly available data, national survey responses, and interviews.

2. This profile provides a snapshot of the data collected for San Jose, California, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

3. The city of San Jose has nearly twenty school districts of which San Jose Unified is only one—albeit one of the largest. The Santa Clara County Office of Education oversees all of the districts and apparently has significant influence. Respondents described the office as fairly reform-minded; it also authorizes a number of charter schools.

fresh ability.<sup>4</sup> In addition, the city of San Jose lacks national, well-respected alternative certification programs such as Teach For America, The New Teacher Project, or New Leaders for New Schools.

Despite Santa Clara County's rank as the seventeenth richest in the United States, San Jose suffers from a severe lack of **financial capital**.<sup>5</sup> California education generally faces a severe budget crisis, and San Jose is no exception; per-pupil expenditures here, normed for the cost of living, are lower than almost any other city in this analysis. Moreover, city leaders do not actively seek private funds to support innovative programs. But local and national philanthropies do support education reform in the city and help to fill in some of the funding gaps, particularly in the charter sector.

A San Jose native described the city's **charter environment** as "one of the best for opening new charters in the country." California provides equitable operational and facilities funding for charter schools, and the state maintains strong accountability provisions for charter authorizers.<sup>6</sup> The Santa Clara County Office of Education—the largest local authorizer—is selective in approving charters and actively seeks to improve low-performing schools; local support organizations also maintain a strong focus on quality. But despite active support and generally equitable funding, Silicon Valley's high cost of living—and of school facilities—provides a barrier to easy charter start-up.

San Jose has strong **quality-control** metrics in place, but does not utilize data to drive education reform. To its credit, California's data system is able to match individual student performance to classroom teachers. But California does not present data in a user-friendly format, and much go unused.<sup>7</sup> On the ground, locals report that data inform real-time education adjustments only within the charter sector.

The **district environment** in SJUSD, faced with strong union resistance, is generally apathetic towards school reform. While district leaders neither actively support nor oppose reform, the union (both locally and at the state level) wields significant influence and strongly opposes charter schools and performance pay. But the district landscape may soon see a dramatic change since Vince Matthews, a former charter school principal, stepped in as superintendent in July 2010.

San Jose's **municipal environment** shows modest support for education reform. Compared to other cities in this analysis, the civic, business, and philanthropic communities only tepidly endorse nontraditional reforms. Editorial and opinion pages in the *San Jose Mercury News* take a largely neutral stance as well. Still, these entities do actively support charter schools; visible successes of well-established KIPP and Rocketship Education schools result in positive perceptions of the charter sector.

4. For more information, see: *National Council on Teacher Quality, Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

5. Matt Woolsey, "America's Richest Counties," *Forbes Magazine*, January 22, 2008, [http://www.forbes.com/2008/01/22/counties-rich-income-forbeslife-cx\\_mw\\_0122realestate.html](http://www.forbes.com/2008/01/22/counties-rich-income-forbeslife-cx_mw_0122realestate.html).

6. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

7. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Despite San Jose's promising Silicon Valley location, the city faces severe financial shortages and a dearth of active support for education reform. Still, the city is home to a thriving charter sector, and recent changes in leadership may bring increased enthusiasm for other nontraditional initiatives.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Seattle?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	N/A	N/A	24 of 24	N/A	N/A	N/A

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Seattle and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Seattle Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*Our analysis of Seattle was limited by low response rates on the local and national stakeholder surveys. This resulted in too few indicators to calculate a grade or ranking for most areas (see Methodology*

*in Appendix A). Still, we include here information from the local and national responses that we did receive as well as publicly available data and interviews.*

#### Race to the Top Update: Washington—Seattle

Washington did not apply for round 1 of Race to the Top funding, but did apply for round 2 and was not chosen as a finalist. In preparation for round 2, the state passed legislation that: authorizes the state to intervene in low-performing schools; opens alternative certification routes; increases the probationary period for teachers from two to three years; allows for performance and innovation-based pay; and creates a more comprehensive teacher evaluation model.

**Seattle** is a proud city, according to one interviewee, and in recent months it has worked to become proud of its school system, too. Reform efforts have gained momentum—with a five-year restructuring plan enacted in 2008 (“Excellence for All”) and a busy state legislative session around Race to the Top—despite opposi-

tion from a stalwart teachers’ union on both the state and local levels. Still, the continuing absence of a charter sector in Seattle (and Washington State) is significant, as charter schools are a powerful supplier and employer of nontraditional initiatives.

### Snapshot

Though Seattle’s **human capital** pipelines benefit from a deep pool of local talent, entrenched district policies effectively keep entrepreneurs out of the Seattle Public Schools (SPS). Some alternative

1. This profile provides a snapshot of the data collected for Seattle, Washington, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

pipelines do exist—mostly small, local programs, since the city is devoid of Teach For America, the New Teacher Project, and New Leaders for New Schools—but slack SPS hiring procedures and adamant “last hired, first fired” policies keep fresh talent out of the classroom.<sup>2</sup> This may soon change, if SPS’s “Excellence for All” plan manages to restructure hiring processes and teacher evaluations.

Seattle’s **financial capital** channels are mediocre. State funding for education has stagnated in recent years, shifting the burden onto local districts, which must rely on property taxes and levies. SPS has a coherent vision for change and is disciplined about pursuing private funding to support that vision, but it does not expend its own money on nontraditional programs. National philanthropies and investors begin to plug the holes, but local funding is somewhat hard to come by, save for the locally based Bill & Melinda Gates Foundation. It and other national foundations have joined with SPS to implement its five-year plan, but respondents struggle to name another *local* foundation that supports nontraditional initiatives.

As the only city in the analysis with zero charter schools, it is not surprising that Seattle received the lowest rank for its **charter environment**. While Washington has witnessed a handful of charter school initiatives over the past two decades, union resistance has continued to foil pro-charter efforts. The most recent attempt to establish charter schools ended with passage of charter legislation in 2005, but a union-supported referendum subsequently nullified the bill. Interviewees describe dismal prospects for a renewed charter movement in the foreseeable future.

Though Seattle’s **quality-control** metrics are strong, such measurements do not drive effective change. The state collects detailed student-level achievement data, matching student data to teachers and evaluating data across multiple years.<sup>3</sup> Statewide assessments are a reasonable measure of quality, more rigorous than most state tests in this analysis.<sup>4</sup> But SPS does not use these measurements to inform real-time adjustments or to support nontraditional programs, according to local and national respondents.

SPS’s **district environment** is a mixed bag, with some daring leaders but also strong, anti-reform opposition. Senior administrators, particularly tough-minded superintendent Maria Goodloe-Johnson, make bold decisions and communicate a sense of urgency about improving schools. And the district’s “Excellence for All” plan is supposed to revamp, among other things, teacher hiring processes and school performance frameworks. Still, the powerful teachers’ union often blocks or weakens reforms, including alternative certification, performance-based pay, and, most notably, charter schools.

Local and national survey respondents differ strongly in their impressions of Seattle’s **municipal environment**. From a national perspective, not much is happening; but locals tend to perceive pro-reform movement, possibly because small, grassroots efforts have seen more success than grand-scale projects.

2. For more information, see: *National Council on Teacher Quality, Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

4. For more information, see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

## Bottom Line

Seattle boasts growing community and school district support for nontraditional initiatives, but weak funding and an entrenched teachers' union stifle opportunities for reform. Entrepreneurs will find both allies and challenges there.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.

## How reform-friendly is Washington, D.C.?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	1 of 26	2 of 25	2 of 24	5 of 25	5 of 26	19 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Washington, D.C., and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders.<sup>1</sup> Respondents provided information about the city environment as a whole as well as the District of Columbia Public Schools.<sup>2</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

The **District of Columbia’s** visibility as the nation’s capital, combined with mounting frustration over its dismal school performance and its dynamic new municipal and civic leadership, has spurred an educa-

tion-reform revival in recent years. Concurrently, movements toward results-based accountability and greater school choice over the past decade—and the notable shortcomings of the D.C. system that these helped to unveil—have drawn widespread attention, additional resources, and a pool of talented, educational entrepreneurs to the scene.

### Race to the Top Update: Washington, D.C.

Washington, D.C., applied for round 1 of Race to the Top funding and was chosen as a finalist, but ultimately lost. D.C. reapplied for round 2 and was again chosen as a finalist. No additional education reform legislation has been enacted in D.C. in anticipation of the competition.

### Snapshot

**Human capital** pipelines in the District of Columbia are well-established and thriving. Alternative certification programs such as Teach For America, The New Teacher Project (D.C. Teaching Fellows), and New Leaders for New Schools have large footprints there. Stakeholders agree that the city is fertile soil for local talent and easily attracts outside talent. A new teachers’ union contract, painstakingly negotiated by District of Columbia Public Schools (DCPS) chancellor Michelle Rhee and the Washington

1. This analysis examines the reform environments in the nation’s twenty-five largest cities, plus five additional smaller communities. We reasoned that, as alleged “hotbeds” of reform, these five would permit comparisons of conditions in big cities with those of smaller but potentially more nimble locales. In addition to Washington, D.C., these smaller cities include Albany, NY; Gary, IN; New Orleans, LA; and Newark, NJ.

2. This profile provides a snapshot of the data collected for Washington, D.C., in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).



Teachers Union and allowing for performance pay and layoffs based on merit, was concluded too late to be considered in this analysis, but including its provisions would have further solidified D.C.'s already-lofty position at the top of the human capital heap.

**Financial capital** in D.C. is widely available and generously deployed. DCPS per-pupil expenditures are high even when normed for the city's high cost of living. Generous philanthropies and private investors supplement the public dollars—and DCPS leaders actively seek this private funding for innovative programs. Locals laud the district's leadership for its coherent reform vision and its successful pursuit of private financial support both local and national.

The District of Columbia is home to a thriving **charter environment**. Demand for charters and interest in starting more of them run high, public and private dollars are ample, and a loose charter cap allows up to ten new contracts per year.<sup>3</sup> The Public Charter School Board (PCSB)—the city's sole authorizer—maintains clear and transparent application and renewal processes, and utilizes comprehensive monitoring and data collection programs to ensure school quality. Both PCSB and numerous local charter-support organizations carefully pre-screen charter applications and seek to improve low-performing schools. Still, school facilities and funding are not always easy to acquire. Despite numerous unused and underutilized school buildings around the city, charters must often compete in the open market for vacant warehouses and office buildings.

The District of Columbia keeps a respectable eye on **quality control**. DCPS collects student enrollment, transcript, and graduation data, and uses them to make real-time adjustments to policy and practice—though it fails to gather more complex longitudinal data such as linking PK-12 and higher education performance.<sup>4</sup> PCSB's performance-management framework, launched in September 2009, was noted by interviewees as a good example of quality control. It evaluates charter schools on a variety of academic and non-academic measures.

Despite leaders with notable reform agendas and track records, the **district environment** somewhat hinders the implementation of nontraditional initiatives. DCPS leaders themselves communicate a sense of urgency, but they do not receive the *full* political support they need to enact bold reform. Chancellor Michelle Rhee's staunchly pro-reform but somewhat authoritarian approach often alienates support within DCPS. Union resistance to reform contributes to a negative atmosphere, though the union's ability to block or weaken reforms is not as strong as in other cities.

The District of Columbia's **municipal environment** is also polarized. Survey respondents report that Mayor Adrian Fenty is the *only* municipal leader willing to expend extensive political capital to advance education reform. That said, he sometimes pits the district and charter sectors against one another. A super-charged political atmosphere heightens distrust among key players, though interviewees say that various advocacy groups and city council members have recently become more reform-friendly.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Entrepreneurs will find the District of Columbia to be fertile soil for reform, with open pipelines of funding, plenty of talent, and a warm welcome from the top. But they will have to navigate shifting political allegiances and a somewhat recalcitrant and habitually ineffectual bureaucracy.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

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# APPENDIX A

## Methodology

This analysis examines the reform environments in the nation's twenty-five largest cities, plus five additional smaller communities. We reasoned that, as alleged “hotbeds” of reform, these five would permit comparisons of conditions in big cities with those of smaller but potentially more nimble locales. The five additional cities are Albany, NY; Gary, IN; New Orleans, LA; Newark, NJ; and Washington, D.C.

## Data Sources

Data for the study were collected from three sources: publicly available records, a survey of national providers, and a survey of local authorities in each city (and subsequent interviews with some of those individuals). Interview data were not included in the grades or rankings—but did provide context and texture for the city profiles. More on each of these data sources follows.

### Publicly Available Data

Where possible, extant data were gathered from public sources, including the federal Common Core of Data (for per-pupil expenditures), the Data Quality Campaign (for state longitudinal data systems), the National Alliance for Public Charter Schools (for state charter school laws and local charter-school market shares), the National Council on Teacher Quality (for local collective bargaining agreements), and Teach for America, New Leaders for New Schools, and The New Teacher Project (for enrollment in alternative certification programs). (See “Scoring Metric” in this appendix for additional details.)

### Survey Data

In many instances, suitable data were not available from extant sources. Hence, we also drew upon data from two surveys—one focused at the national level and the other locally—that were developed specifically for this study and administered in late 2009. These online surveys added valuable information and nuance to the extant data.

**National Survey.** This survey was administered to senior leaders of sixteen national organizations that are actively involved in multiple cities across the nation (see Appendix C for a partial list of organizations). These national stakeholders oversee organizations that manage human capital pipelines, operate charter schools, develop educational technology and tools, or provide the private dollars that fund them. And they do so in numerous locations. Thus, they were asked to comparatively rate, insofar as they are active in or knowledgeable about, the cities in our sample in such realms as the quality of district leadership, availability of local philanthropy, and support of civic leaders. The national survey was administered in November-December 2009; the response rate was 81 percent.

**Local Survey.** This survey obtained more granular data from on-the-ground education reformers in each city. It was designed for respondents with firsthand familiarity with local conditions. Whereas national respondents rated a number of cities comparatively, local respondents provided more concrete information for their own cities regarding infrastructure for reform and school system behaviors. In four areas—human capital, charter schooling, philanthropy, and local schools—one respondent was identified in each for each city.

Several methods were used to identify such respondents. For human capital and charter school respondents, contacts were requested from senior leaders at Teach For America and the National Alliance for Public Charter Schools. For philanthropic respondents, contacts were requested from leaders at a national philanthropic support organization; that list was then supplemented with organizations identified by the Foundation Center Directory as contributing to the education reform priorities of the American Recovery and Reinvestment Act 2009.<sup>1</sup> Repeated attempts to engage appropriate senior-level school district operations or procurement staffs were largely ignored—though we tried diligently—so local district staff were not included in the survey. A total of 150 individuals were invited to take the local survey in November–December 2009; the response rate was 61 percent. In all, between the two surveys, 106 individuals participated.

The local and national surveys can be found online at [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

### Local Interviews

In order to add context to the thirty city profiles, interviews were conducted with two to three knowledgeable residents of each city. (Interview data were not included in the grades or rankings.) Most had previously completed the local survey; others were recommended by local or national survey respondents. Phone interviews lasted approximately thirty minutes; interviewees could also submit responses via email.

Interviewees were asked to expand upon two overarching questions:

- 1 What, if anything, makes your city a welcome place for educational entrepreneurs to do business?
- 2 What, if anything, makes your city an unwelcome place for educational entrepreneurs to do business?

A series of more specific follow-up questions were asked based on responses to the above, but generally included:

- 1 How receptive is district leadership when it comes to school choice (including charter schooling)? Performance-based pay? Alternative teacher certification? Using new technologies in the classroom?
- 2 How about the local school board, local teachers' union, and local community (as relevant) on these same issues?
- 3 In general, how influential are the business and philanthropic communities in this city when it comes to education reform?

Interview data were summarized by question and used as appropriate in the city profiles, typically to contextualize quantitative and survey data.

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1. See [http://foundationcenter.org/educationexcellence/top\\_lists.html](http://foundationcenter.org/educationexcellence/top_lists.html) (accessed September 15, 2009).

## Data Requirements

Data were gathered in six areas: human capital, financial capital, charter environment, quality control, district environment, and municipal environment. Each area was divided into “indicators,” which were typically phrased as questions (for example, indicator 5.3: “Does the teachers’ union wield considerable influence?”). Each indicator was further divided into more specific “sub-indicators.” For example, sub-indicator 5.3.1 from the national survey asks respondents the extent to which “the local teachers’ union wields substantial political influence over district decisions.”

Data were not available for every indicator for every city. To ensure that data were sufficient to warrant a grade for that city, we used the following decision rules:

- 1 Each area (human capital, charter environment, etc.) had to have data from at least two of three sources (publicly available data, national survey data, or local survey data).
- 2 Within each of the data sources, there were several indicators. No more than one indicator in each data source could have missing data.
- 3 Each indicator was further subdivided into multiple sub-indicators. No more than one sub-indicator (per indicator) could have missing data.

Further, for the indicators that were informed by survey data, each had to pass three additional thresholds or they were not included:

- 1 Each city had to have at least three respondents per survey (i.e., three national respondents and three local respondents).
- 2 Each survey question had to have an overall response rate of at least 60 percent across all of the cities.
- 3 Each survey question had to have a response rate of at least 60 percent to be included for any particular city.

“Charter environment” presented a unique situation. The data in this category drew only from publicly available data and local (not national) survey data. Since this area had only two, not three, data sources to begin with, the data thresholds were relaxed slightly: Each city had to have at least two survey respondents for the local survey; and each data source was allowed two missing indicators.

In the end, cities received a final grade if we were able to obtain enough data in at least four of the six areas. Four cities failed to meet this threshold: El Paso, Phoenix, San Antonio, and Seattle.

## Grading

Each of the six areas was comprised of five to seven indicators; each area contributed approximately 17 percent to a city's final grade, while each indicator individually contributed 2 to 3 percent. Indicators with sufficient data were averaged, as were individual grades, for each of the six areas.

A 0 to 4 scale was used across the board. For publicly available information, data were typically ranked and curved onto a scale (see Table A-1). For example, one sub-indicator in the "financial capital" area examines per-pupil expenditures in each city's primary school district normed for the cost of living in the district's location city. To convert per-pupil dollar amounts to a 0 to 4 scale, cities were ranked from highest to lowest normed expenditures; the top 20 percent were assigned a "4," the next twenty percent a "3," and so on.

Survey responses were also converted to a 0 to 4 scale. The format of most questions was either a five-point scale (ranging from *strongly disagree* to *strongly agree*) or a two-point scale (*yes* or *no*). For the former, a numerical value of "0" to "4" was assigned to each option (for example, *strongly disagree* a "4," *disagree* a "3," *neutral* a "2," and so on). For yes/no questions, a yes was assigned a "4" and no a "0."

Table A-1 shows the grading scale.

**TABLE A-1: Grading Scale**

>3.0	A
2.50-2.99	B
2.00-2.49	C
1.50-1.99	D
<1.49	F

# APPENDIX B

## Scoring Rubric

Six areas were examined in the scoring metric: human capital, financial capital, charter environment, quality control, district environment, and municipal environment. Sometimes the data pertained to the city as a whole, other times to the city's primary school district. (In some cases, state measures, like the strength of the state's charter law were also considered.) The primary school district is typically the city's largest district by enrollment. Detailed questions and data sources pertaining to each area are presented below.

### Area 1: Human Capital. (6 indicators)

#### Indicator 1.1: To what extent have nontraditional teachers and administrators penetrated the city?

- **Sub-indicator 1.1.1.** *Absolute current and alumni numbers of three nationwide, "brand-name" alternative certification programs: Teach For America (TFA), The New Teacher Project (TNTP), and New Leaders for New Schools (NLNS).*<sup>2</sup> "Alumni" include program participants who had completed all program requirements as of 2007-08. Since measuring how many alumni remained in a particular city after their teaching/administrative service had ended was not possible, a conservative estimate of 50 percent was used. Thus, current placement numbers in each city for the 2008-09 school year (the most recent year for which there were data) were added to 50 percent of each program's alumni total. Programs that began in 2009-10 were not counted. All data were provided by the respective organizations listed above. All cities with zero current participants or alumni received a score of "0." All other cities were ranked highest to lowest; the top 25 percent of cities received a "4," the next 25 percent a "3," and so on. Each program was ranked separately, and scores of all three programs were averaged for a final score.
- **Sub-indicator 1.1.2.** *Brand-name alternatively certified personnel as percentage of existing overall workforce.* The total current numbers for TFA and TNTP (2008-09) were computed as a percentage of absolute full-time employment (FTE) teachers (2007-08) as reported by Common Core of Data (CCD) (2007-08 was the most recent year for which CCD had data). Since the number of teachers employed by districts stays fairly static from year to year, the mismatch between reporting years is not troubling. Raw NLNS numbers (2008-09) were computed as a percentage of FTE school administrators (2007-08) as reported by CCD. Teacher and administrator percentages were separately ranked, scored, and then averaged together according to the method described in Sub-indicator 1.1.1.

#### Indicator 1.2: How restrictive is the teachers' union contract when it comes to the recruitment, hiring, and firing processes of the local school district?

- **Sub-indicator 1.2.1.** *Restrictiveness of teachers' union contract.* Collective bargaining agreements (CBAs) were assessed on a 0 to 4 point rubric, across three categories: compensation, personnel decisions, and work rules. The same rubric used in Fordham's 2007 report, *The Leadership*

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2. Since alternatively certified teachers and administrators are typically assigned to regions and not districts, we used a city's metropolitan division—as defined by the U.S. Census Bureau—as our unit of analysis. While this measure provides for consistency across locales, using it as our denominator likely underestimated the total.



*Limbo*, was applied here.<sup>3</sup> Data were gathered from the National Council on Teacher Quality's TR3 database for twenty-five of the study's thirty cities. Among the missing five, four were not included in TR3 (Albany, Gary, San Jose, and Phoenix), but their CBAs were obtained and graded using the same rubric. New Orleans does not have a collective bargaining agreement. CBAs were current as of December 31, 2009.

**Indicator 1.3: How easy is it for entrepreneurs to find locally grown talent in this city?**

- **Sub-indicator 1.3.1.** National survey question. "There is a deep talent pool of potential employees for entrepreneurs eyeing this metro area."

**Indicator 1.4: How easy is it for entrepreneurs to import talent to this city?**

- **Sub-indicator 1.4.1.** National survey question. "It is relatively easy to recruit talent and individuals to move to this city."

**Indicator 1.5: How do district hiring processes support or interfere with the talent pipeline in this city?**

- **Sub-indicator 1.5.1.** Local survey question. "Slack district hiring routines or slow district hiring cycles serve to keep alternatively trained teachers out of district classrooms."

**Indicator 1.6: How do district termination processes support or interfere with the talent pipeline in this city?**

- **Sub-indicator 1.6.1.** Local survey question. "The district abides by a 'last hired, first fired' policy when contemplating teacher hiring and firing decisions."

## Area 2: Financial Capital. (7 indicators)

**Indicator 2.1: What is the per-pupil expenditure (adjusted for the cost of living) in the city's primary school district?**

- **Sub-indicator 2.1.1.** *Per-pupil expenditures normed for local cost of living.* Average per-pupil expenditures over three years (2004-07) for the city's primary school district, as recorded by CCD,<sup>4</sup> were normed using the ACCRA cost of living index rating for the third quarter of 2009.<sup>5</sup> To convert per-pupil dollar amounts to a 0 to 4 scale, cities were ranked from highest to lowest expenditures; the top 20 percent were assigned a "4," the next 20 percent a "3," and so on.

**Indicator 2.2: Where is money most available? From philanthropic or public sources, or private investors?**

- **Sub-indicator 2.2.1.** National survey question. "Funding in each respective city is readily available for nontraditional providers from philanthropy."

3. Frederick M. Hess and Coby Loup, *The Leadership Limbo: Teacher Labor Agreements in America's Fifty Largest School Districts* (Washington, D.C.: Thomas B. Fordham Institute, 2008), [http://www.edexcellence.net/doc/the\\_leadership\\_limbo.pdf](http://www.edexcellence.net/doc/the_leadership_limbo.pdf).

4. See CCD LEA Finance Survey (F33), available at <http://nces.ed.gov/ccd/f33agency.asp>.

5. Due to Hurricanes Katrina and Rita in 2005, data for the Recovery School District (RSD), the primary district of New Orleans, LA, were only available for 2006-07. (The RSD was actually created pre-Katrina, in 2003.) The figure for New Orleans is based on per-pupil expenditures for 2006-07 alone.

- **Sub-indicator 2.2.2.** National survey question. “Funding in each respective city is readily available for nontraditional providers from public dollars.”
- **Sub-indicator 2.2.3.** National survey question. “Funding in each respective city is readily available for nontraditional providers from private investors.”

**Indicator 2.3: Does the local school district seek non-public dollars to further its reform ambitions?**

- **Sub-indicator 2.3.1.** National survey question. “Leaders in this city actively seek non-public funding (e.g., from philanthropists, venture capitalists, corporations, etc.) to support innovative programs.”

**Indicator 2.4: Are local dollars available in this city for nontraditional education reforms?**

- **Sub-indicator 2.4.1.** Local survey question. “There is at least one local philanthropy that invests in, or contributes to, one or more of these reforms: charter schools, performance-based pay, alternative teaching routes.”

**Indicator 2.5: Are national dollars available in this city for nontraditional education reforms?**

- **Sub-indicator 2.5.1.** Local survey question. “At least one major national foundation is helping to support at least one of the following in this city: charter schools; performance-based pay; alternative teaching routes.” [Included pull-down list of national foundations]

**Indicator 2.6: What impact do philanthropic dollars have on nontraditional education reforms in this city?**

- **Sub-indicator 2.6.1.** Local survey question. “Nontraditional reforms (e.g., charter schools, alternative teaching routes, or smart applications of technology) get their fair share of philanthropic dollars available in this city.”
- **Sub-indicator 2.6.2.** Local survey question. “Philanthropists and/or philanthropic organizations have been a negative influence in this district because they have promoted initiatives that conflict with district priorities.”

**Indicator 2.7: Does the district have a coherent vision for how to spend its dollars strategically?**

- **Sub-indicator 2.7.1.** Local survey question. “The district spends its own money on nontraditional educational tools and programs.”
- **Sub-indicator 2.7.2.** Local survey question. “District leadership has a coherent vision for change and is disciplined about pursuing philanthropic/private funding to support that vision.”

### Area 3: Charter Environment. (8 indicators)

#### Indicator 3.1: Are there any high-quality non-LEA charter school authorizers?

- **Sub-indicator 3.1.1.** *Availability of and support for authorizers.* Two indicators from the National Alliance for Public Charter Schools (NAPCS)'s *How State Charter Laws Rank Against the New Model Public Charter School Law* report were used: "Multiple Authorizers Available," and "Adequate Authorizer Funding."<sup>6</sup> NAPCS scores the former on a 0 to 12 scale and the latter on a 0 to 8 scale. Scores were combined for both indicators to create a 0 to 20 scale. Combined scores were divided by 5 to obtain a 0 to 4 scale.
- **Sub-indicator 3.1.2.** *State-level quality control mechanisms for authorizers.* Five indicators from NAPCS's *How State Charter Laws Rank* were used: "Authorizer and Overall Program Accountability System Required," "Transparent Charter Application Review, Decision-Making Processes," "Performance Based Charter Contracts Required," "Comprehensive Charter School Monitoring and Data Collection," and "Clear Process for Renewal, Nonrenewal, and Revocation Decisions." NAPCS scores these indicators on 0 to 12, 0 to 16, 0 to 16, 0 to 16, and 0 to 16 scales, respectively. All five scores were combined to create a 0 to 76 scale. Combined scores were then divided by 19 to obtain a 0 to 4 scale.

#### Indicator 3.2: Are charter schools funded fairly compared to traditional schools?

- **Sub-indicator 3.2.1.** *State of charter funding.* Data from NAPCS were combined with data regarding the federal Charter Schools Program. Two indicators from NAPCS's *How State Charter Laws Rank* were used: "Equitable Operational Funding and Equal Access to All State and Federal Categorical Funding" and "Equitable Access to Capital Funding and Facilities." NAPCS scores both indicators on a 0 to 12 scale. Scores were combined for both indicators to create a 0 to 24 scale. Combined scores were then divided by 6 to obtain a 0 to 4 scale. One indicator regarding the federal Charter Schools Program was used: A city received a "4" if its state had received a Charter Schools Program grant as of October 2009, and a "0" if it had not. The combined NAPCS indicator score was then averaged with the Charter Schools Program score to achieve a final score. The final score was curved as follows: a score of 0 received a "0"; above 0 to 2.0 received a "1"; 2.1 to 2.5 received a "2"; 2.6 to 3.0 received a "3"; and 3.1 and above received a "4."

#### Indicator 3.3: To what extent have charters penetrated the market?

- **Sub-indicator 3.3.1.** *Market share of charter school enrollment.* The percentage of students enrolled in charter schools within the boundaries of each city's primary school district, as presented in NAPCS's *Top 10 Charter Communities by Market Share*, was used.<sup>7</sup> (Title notwithstanding, the report actually includes data for the top fifty school districts by market share.) Percentages were scored as follows: 0 to 9 percent received a "1," 10 to 19 percent a "2," 20 to 29 percent a "3," and 30 percent and above a "4."

6. *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

7. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

**Indicator 3.4: What is the status of the state's charter school cap?**

- **Sub-indicator 3.4.1.** *Restrictiveness of the state's charter school cap.* One indicator from NAPCS's *How State Charter Laws Rank* was used: "No Caps." NAPCS weighting (0 to 4 scale) was maintained. It is as follows:

4=The state does not have a cap.

3=The state has a cap with room for ample growth. OR The state does not have a cap, but allows districts to restrict growth.

2=The state has a cap with room for some growth.

1=The state has a cap with room for limited growth.

0=The state has a cap with no room for growth.

**Indicator 3.5: What kind of non-district support exists for charter schools?**

- **Sub-indicator 3.5.1.** Local survey question. "The city has one or more non-district charter school authorizers."
- **Sub-indicator 3.5.2.** Local survey question. "There is at least one charter-school support organization in this city (i.e., an entity that provides technical assistance for and/or lobbies on behalf of charter schools)."

**Indicator 3.6: Does the biggest authorizer in this city exercise effective authorizing practices? [Respondents were first asked to name the biggest authorizer in the city.]**

- **Sub-indicator 3.6.1.** Local survey question. "To my knowledge, this authorizing entity is selective about which charters it approves."
- **Sub-indicator 3.6.2.** Local survey question. "To my knowledge, this authorizing entity seeks to improve low-performing charter schools."

**Indicator 3.7: What type of funding is available for charter schools?**

- **Sub-indicator 3.7.1.** Local survey question. "Public funding (from local, state, or federal sources) is available for charter school facilities."
- **Sub-indicator 3.7.2.** Local survey question. "It is relatively easy for current or future charter school operators to obtain facilities funding."
- **Sub-indicator 3.7.3.** Local survey question. "The level of charter school per-pupil funding is 75 percent or more of district school per-pupil funding."

**Indicator 3.8: Is there a charter support organization in this city? If so, is it quality-conscious?**

- **Sub-indicator 3.8.1.** Local survey question. [if yes to above] "To my knowledge, this charter support organization emphasizes quality when assisting new or prospective charters."
- **Sub-indicator 3.8.2.** Local survey question. [if yes to above] "To my knowledge, this charter support organization seeks to improve low-performing charter schools."

## Area 4: Quality Control. (6 indicators)

### Indicator 4.1: How good is the state's longitudinal data system?

- **Sub-indicator 4.1.1.** *Essential elements and actions of a state longitudinal data system.* The primary indicators from the Data Quality Campaign's *2009-10 Survey Results Compendium*—both *10 Elements* and *10 Actions*—were used.<sup>8</sup>

The 10 Elements consist of: 1. Statewide student identifier; 2. Student-level enrollment data; 3. Student-level test data; 4. Information on untested students; 5. Statewide teacher identifier with a teacher-student match; 6. Student-level course completion (transcript) data; 7. Student-level SAT, ACT, and Advanced Placement exam data; 8. Student-level graduation and dropout data; 9. Ability to match student-level P-12 and higher education data; 10. A state data audit system.

The 10 Actions include: 1. Link data systems; 2. Create stable, sustained support; 3. Develop governance structures; 4. Build state data repositories; 5. Implement systems to provide timely access to information; 6. Create progress reports using individual student data to improve student performance; 7. Create reports using longitudinal statistics to guide system-wide improvement efforts; 8. Develop a P-20/workforce research agenda; 9. Promote educator professional development and credentialing; 10. Promote strategies to raise awareness of available data.

One point was assigned for the presence of each element or action for a maximum possible total of 10 points in each category; the two categories were averaged for a total score. Total scores were converted to a 0 to 4 scale according to the following: total scores of 0 to 3.9 points were assigned a “0”; 4 to 4.9 were assigned a “1”; 5 to 5.9 were assigned a “2”; 6 to 6.9 were assigned a “3”; and 7 to 10 were assigned a “4.”

### Indicator 4.2: How rigorous is the state test, compared to the National Assessment of Educational Progress (NAEP)?

- **Sub-indicator 4.2.1.** *Rigor of state test.* State test proficiency cut scores on the NAEP scale, as computed by the National Center for Education Statistics in *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007*, were analyzed.<sup>9</sup> Respective NAEP scale equivalents for fourth- and eighth-grade reading and math proficiency standards in each state were subtracted from the NAEP proficiency score in each subject and averaged. State average differences were then ranked with the smaller gaps receiving higher scores. Cities from the four states with the smallest gap received a “4”; cities from the next four states received a “3”; and so on. Five states received a “1” due to a tie between Texas and Illinois.

8. *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

9. Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

**Indicator 4.3: Are quality-control mechanisms used well in the city?**

- **Sub-indicator 4.3.1.** National survey question. “How this city uses outcomes and metrics to police quality has helped rather than hindered my organization’s operations.”

**Indicator 4.4: Is there outside support for nontraditional reformers that acts as an additional check on their operations?**

- **Sub-indicator 4.4.1.** National survey question. “The mayor and/or other municipal leaders help nontraditional providers overcome local obstacles or district resistance (e.g., by providing resources, making phone calls on their behalf, or clarifying rules).”

**Indicator 4.5: Are there quality-control mechanisms in place in this city’s primary school district?**

- **Sub-indicator 4.5.1.** Local survey question. “The district uses the information that it collects in order to make real-time adjustments in practice or policy along the way.”

**Indicator 4.6: Is there organizational support for nontraditional providers in this city, either inside or outside the primary school district?**

- **Sub-indicator 4.6.1.** Local survey question. “There is an entity or individual outside the district that helps nontraditional providers\* with one or more of the following: finances, facilities, or regulatory guidelines. \*Note: By “nontraditional providers” we mean those who provide alternative sources of human capital, goods and services, and education options such as charter schools.”
- **Sub-indicator 4.6.2.** Local survey question. “There is an entity or individual inside the district that helps nontraditional providers\* with one or more of the following: finances, facilities, or regulatory guidelines.” \*Note: By “nontraditional providers” we mean those who provide alternative sources of human capital, goods and services, and education options such as charter schools.”

**Area 5: District Environment.<sup>10</sup> (7 indicators)****Indicator 5.1: Do students in the district have access to online schooling (via a state-run virtual school)?**

- **Sub-indicator 5.1.1.** *The presence of a state-run virtual school.* Data were collected from the Editorial Project in Education’s *Technology Counts 2009* report. Cities were awarded a score of “4” for the presence of a statewide virtual school or “0” for the absence of a virtual school.

10. Many questions in this area dealt with the city’s primary school district—each of which was identified for survey respondents. The districts were as follows: Albany: City School District of Albany; Austin: Austin Independent School District; Baltimore: Baltimore City Public Schools; Boston: Boston School District; Charlotte: Charlotte-Mecklenburg Schools; Chicago: Chicago Public Schools; Columbus: Columbus City Schools; Dallas: Dallas Independent School District; Denver: Denver Public Schools; Detroit: Detroit Public Schools; El Paso: El Paso Independent School District; Fort Worth: Fort Worth Independent School District; Gary: Gary Community School Corporation; Houston: Houston Independent School District; Indianapolis: Indianapolis Public Schools; Jacksonville: Duval County Public Schools; Los Angeles: Los Angeles Unified School District; Memphis: Memphis City Schools; Milwaukee: Milwaukee Public Schools; New Orleans: Recovery School District; New York: New York City Public Schools; Newark: Newark Public Schools; Philadelphia: The School District of Philadelphia; Phoenix: Mesa Public Schools; San Antonio: San Antonio Independent School District; San Diego: San Diego Unified School District; San Francisco: San Francisco Unified School District; San Jose: San Jose Unified School District; Seattle: Seattle Public Schools; Washington: District of Columbia Public Schools.

**Indicator 5.2: How easy or hard is it for providers to set up shop in this district?**

- **Sub-indicator 5.2.1.** National survey question. “It is easy for nontraditional providers to establish operations in this city.”

**Indicator 5.3: Does the teachers’ union wield considerable influence?**

- **Sub-indicator 5.3.1.** National survey question. “The local teachers’ union wields substantial political influence over district decisions.”

**Indicator 5.4: Does the district support nontraditional providers trying to set up shop?**

- **Sub-indicator 5.4.1.** National survey question. “District leaders are accessible and respond in a timely manner when dealing with nontraditional providers.”

**Indicator 5.5: Does the local teachers’ union hold tangible sway over district decisions and operations?**

- **Sub-indicator 5.5.1.** Local survey question. “In this district, the teachers’ union is usually able to block or weaken reforms, innovations, and entrepreneurial ventures that it opposes.”
- **Sub-indicator 5.5.2.** Local survey question. “[The teachers’ union] is supportive of alternative certification.”
- **Sub-indicator 5.5.3.** Local survey question. “[The teachers’ union] is supportive of charter schools.”
- **Sub-indicator 5.5.4.** Local survey question. “[The teachers’ union] is supportive of performance-based pay.”

**Indicator 5.6: Are district leaders visible and effective voices for reform in this city?**

- **Sub-indicator 5.6.1.** Local survey question. “The district has a culture that rewards smart problem-solvers, not only employees who have put in their time or have paper credentials.”
- **Sub-indicator 5.6.2.** Local survey question. “District leaders communicate a sense of urgency about raising achievement and improving schools.”
- **Sub-indicator 5.6.3.** Local survey question. “In general, district leaders have the political support they need to make things happen.”
- **Sub-indicator 5.6.4.** Local survey question. “In general, the superintendent and senior leadership in this district make bold decisions and push to innovate and excel.”

**Indicator 5.7: Does the district operate in an efficient and/or innovative manner?**

- **Sub-indicator 5.7.1.** Local survey question. “The district is attentive to making tools (e.g., handheld devices, online instructional software programs, etc.) easy to use for its teachers and administrators.”
- **Sub-indicator 5.7.2.** Local survey question. “The procurement office is well managed and responsive.”



## Area 6: Municipal Environment. (7 indicators)

**Indicator 6.1: Is there a state-level education reform organization that supports nontraditional providers?**

- **Sub-indicator 6.1.1.** *Presence of a state-level reform organization.* “State-level reform organization” was defined as those members of the Policy Innovators in Education Network (PIE Network).<sup>11</sup> Cities were awarded a “4” if there is an education advocacy organization in their state that is a member of PIE Network and a “0” if there is not.

**Indicator 6.2: How favorably, if at all, does the editorial board of the city’s largest newspaper cover nontraditional reforms?**

- **Sub-indicator 6.2.1.** *Local editorials and opinion pieces.* A Boolean search of editorials appearing in the city’s largest paper (by circulation) was conducted in LexisNexis using a list of reform keywords: charter schools, alternative preparation, alternative certification, teacher pay, merit pay, professional development AND teachers, exit exam, dropouts, teacher layoffs, charters, nontraditional school. The search included dates between Labor Day 2008 (9/1/2008) and Memorial Day 2009 (5/25/2009) as proxies for the typical “school year.” Editorials were appraised as “negative” (0 points), “neutral” (2 points), or “positive” (4 points). Points were averaged, ranked by city from the highest to the lowest, and curved according to the following guidelines: 0 to 1.99 points received a “0”; 2 to 2.24 a “1”; 2.25 to 2.49 a “2”; 2.50 to 2.74 a “3”; and 2.75 and above a “4.”

**Indicator 6.3: Do municipal civic leaders, including the mayor, business community, and philanthropic community, have the political will to advance potentially controversial reforms?**

- **Sub-indicator 6.3.1.** National survey question. “[The mayor] is willing to spend reasonable amounts of political capital to support nontraditional providers and advance potentially controversial reform ideas (e.g., performance-based pay, charter schools, distance learning, and alternative licensure).”
- **Sub-indicator 6.3.2.** National survey question. “[Other civic leaders] [are] willing to spend reasonable amounts of political capital to support nontraditional providers and advance potentially controversial reform ideas (e.g., performance-based pay, charter schools, distance learning, and alternative licensure).”
- **Sub-indicator 6.3.3.** National survey question. “[The business community] is willing to spend reasonable amounts of political capital to support nontraditional providers and advance potentially controversial reform ideas (e.g., performance-based pay, charter schools, distance learning, and alternative licensure).”

11. See <http://www.pie-network.org/>.

- **Sub-indicator 6.3.4.** National survey question. “[The philanthropic community] is willing to spend reasonable amounts of political capital to support nontraditional providers and advance potentially controversial reform ideas (e.g., performance-based pay, charter schools, distance learning, and alternative licensure).”

**Indicator 6.4: Do municipal civic leaders, including the mayor, business community, and philanthropic community, expend their respective political capital on nontraditional reforms?**

- **Sub-indicator 6.4.1.** Local survey question. “For the most part, the mayor is willing to spend political capital to advance bold education-reform ideas.”
- **Sub-indicator 6.4.2.** Local survey question. “For the most part, the business and philanthropic communities in this city are willing to exert political influence to advance bold reforms.”

**Indicator 6.5: Does the local philanthropic community support nontraditional reforms?**

- **Sub-indicator 6.5.1.** Local survey question. “[The local philanthropic community] is supportive of alternative teaching routes.”
- **Sub-indicator 6.5.2.** Local survey question. “[The local philanthropic community] is supportive of charter schools.”
- **Sub-indicator 6.5.3.** Local survey question. “[The local philanthropic community] is supportive of performance-based pay.”

**Indicator 6.6: Does the local business community support nontraditional reforms?**

- **Sub-indicator 6.6.1.** Local survey question. “[The local business community] is supportive of alternative teaching routes.”
- **Sub-indicator 6.6.2.** Local survey question. “[The local business community] is supportive of charter schools.”
- **Sub-indicator 6.6.3.** Local survey question. “[The local business community] is supportive of performance-based pay.”

**Indicator 6.7: Are the editorial pages of the local papers supportive of reform?**

- **Sub-indicator 6.7.1.** Local survey question. “[The local editorial voice] is supportive of alternative teaching routes.”
- **Sub-indicator 6.7.2.** Local survey question. “[The local editorial voice] is supportive of charter schools.”
- **Sub-indicator 6.7.3.** Local survey question. “[The local editorial voice] is supportive of performance-based pay.”

# APPENDIX C

Individuals from a number of national organizations helped to shape the study design and survey instruments, as well as participate in the national survey. Below represents a partial list.

Achievement First

Eli & Edythe Broad Foundation

Charter School Growth Fund

EdisonLearning

Bill & Melinda Gates Foundation

Knowledge is Power Program (KIPP)

Mondo Publishing

The New Teacher Project

Teach For America

The Walton Family Foundation

Wireless Generation

