



Public Schools of North Carolina
State Board of Education
Department of Public Instruction

Report to the North Carolina General Assembly

Annual Report on the Implementation and
Progress of the North Carolina Innovative
School District (ISD)

G.S. 115C-75.6(d)

Date Due: January 15, 2019
Report # 2
DPI Chronological Schedule, 2018-2019

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Report to the Joint Legislative Education Oversight Committee G.S. 115C-75.6(d) – Annual Report on Innovative School District

Pursuant G.S. 115C-75.6(d), by January 15 annually, the State Board of Education, Superintendent of Public Instruction and the ISD Superintendent shall report to the Joint Legislative Education Oversight Committee on all aspects of operation of the ISD, including the selection of innovative schools and their progress.

Background and Introduction:

Created in 2016 and amended in 2017, the North Carolina General Assembly approved the establishment of a new statewide school district, under the administration of the State Board of Education and the Superintendent of Public Instruction called the North Carolina Innovative School District (ISD).

The founding Superintendent, Dr. Eric Hall, was hired in May 2017 to launch and implement this new statewide intervention focused on improving student outcomes in low-performing schools. On September 17, 2018, the ISD named a new Superintendent, LaTeesa Allen. Ms. Allen replaced Eric Hall, who was promoted to Deputy State Superintendent of Innovation.

Based on statute, the ISD shall select no more than five (5) qualifying elementary schools to be transferred for operation as innovative schools under contract with a qualified and/or credible innovative school operator for a period of five years.

Schools which qualify for the ISD must meet the following criteria:

- Schools that earned an overall school performance score in the lowest five percent (5%) of all schools in the state in the prior school year and
- Include all or part of grades K-5 and
- Did not exceed growth in at least one of the prior three school years and did not meet growth in at least one of the prior three school years and
- Did not adopt one of the established reform models in state statute for the immediate prior school year

The ISD may select qualifying schools for transfer commencing with the 2018/2019 school year but must select at least two schools for transfer by the 2019/2020 school year, with all five schools selected by the 2020/2021 school year.

Local school boards that transfer a qualifying school to the ISD may request to the State Board of Education an opportunity to create an Innovation Zone (I-Zone). An I-Zone, if requested and approved, would allow local school boards to operate other low-performing schools in their local district with the same exemptions from statutes and rules as authorized for charter schools. This flexibility may also include exemptions from local school board rules and policies to ensure autonomy with guidance being provided by a dedicated I-Zone team under the local authority to manage schools within the zone.

Districts with an innovative school, with less than 35% of their schools being low-performing, may establish an I-Zone to include up to three (3) additional low-performing

schools in the local district. Districts with an innovative school, with 35% or more of their schools designated as low-performing, may establish an I-Zone for all low-performing schools in the local district if requested and approved by the State Board of Education.

Reoccurring funds of \$400,000.00 are appropriated for the operation and administration of the ISD. In addition, a reoccurring allocation of \$450,000.00 is available for grants up to \$150,000.00 per established I-Zone for local school boards to use in managing and operating the zone. These funds must be matched with non-state funds and the grant may be used to help hire a proven leader for the I-Zone and the support staff needed to improve outcomes of the low-performing schools in an established zone.

The General Assembly has allocated \$500,000.00 for an external evaluation of the ISD and the results that are achieved during the initial five years of operation. To ensure that progress in its schools is evaluated effectively, the ISD partnered with an independent evaluation development team—comprised of staff from the Friday Institute at North Carolina State University and RTI International—to develop a multi-year plan for assessing outcomes of the initiative. The Friday Institute will complete this evaluation with reports provided to the State Board of Education by February 15 annually. The State Board of Education shall provide a report of the research and recommendations for legislative changes annually by March 1, beginning in 2018 until submission of the final report in 2024.

Operational Overview and Summary

In January 2018, the Public Schools of Robeson County School Board voted unanimously to approve the transfer of Southside Ashpole Elementary School to the Innovative School District. The Innovative School Operator (ISO) applicants presented their plans to the Rowland community and answered questions. Embracing community engagement is essential to the success of Southside Ashpole Elementary school; therefore, the ISD's partnership with the community in Rowland, NC was a priority. The community's feedback, questions, and concerns were incorporated in the selection process of the ISO. Additionally, in January 2018, SchoolWorks, a third-party evaluation firm, interviewed the ISO applicants.

In February 2018, the North Carolina State Board of Education extended the deadline for the selection of an ISO to April 15th at the request of the ISD Superintendent. The request also included the option to negotiate with the two applicants to seek clarity and assurances regarding their capacity to operate Southside Ashpole Elementary. In the event that the ISD Superintendent was unable to negotiate or secure the necessary assurances, he was granted the approval to also engage alternate ISO entities for possible consideration if needed.

The ISD engaged in negotiations with two operator applicants:

1. The Romine Group and
2. Achievement for All Children (AAC).

The two operator applicant organizations were provided with the opportunity to submit supplemental information to add clarity and to address concerns noted in the external evaluation by SchoolWorks. The ISD team conducted 2-hour in-person negotiations with

each applicant organization; SchoolWorks participated in these meetings and reviewed the supplemental information provided as part of the evaluation.

Also, in February 2018, the ISD Superintendent developed 5-year budgets which aligned with proposed operational plans for Southside Ashpole Elementary.

SchoolWorks provided updated evaluation reports for the two organizations in March 2018. Based on the evaluations, the ISD recommended Achievement for All Children as the ISO for Southside Ashpole Elementary School.

The supporting elements for recommendation included:

- a. Curriculum and Instructional Plan for supporting our teachers;
- b. Proposed Budget Plan for staff compensation;
- c. Plans for engaging local community and building partnerships;
- d. Goals for addressing the needs of the Whole Child; and
- e. Overall responsiveness to clarification and supplemental requests.

The State Board of Education approved AAC as the ISO for Southside Ashpole Elementary School.

In May 2018, the Innovative School District was established as the 116th School District in North Carolina (LEA No. 295).

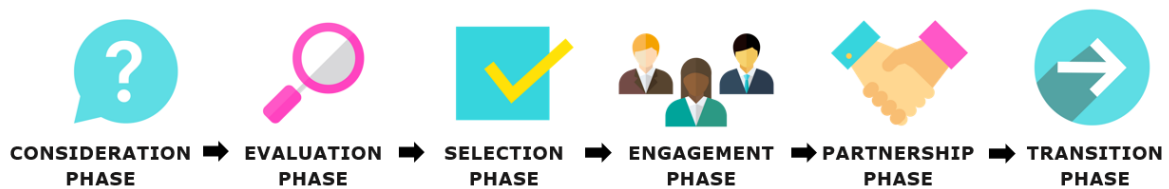
Between March and July 2018, the ISD committed to intentionally developing relationships and engaging in community partnerships with the Rowland community, including parents/families, Public Schools of Robeson County, Rowland's Mayor and Town Clerk, faith leaders, and other community leaders and stakeholders. These partnerships continued to evolve as the ISD endeavored to establish authentic connections with the Rowland community in preparation for the 2018-2019 school year.

Start-up activities in partnership with the ISO, local school district, and the community included but were not limited to: community meetings, hiring a school director, teachers and support staff, and getting a Memorandum of Understanding (MOU) with the local school district signed and approved.

In August 2018, staff engaged in orientation and two-weeks of training and professional development. An Open House at Southside Ashpole Elementary School's was held on August 23, 2018 and the ISD hosted a "Being an Innovative School Operator" event to introduce potential operators to the ISD and the role they can play to help increase student growth and achievement in low-performing schools on August 14th. The first day of school for the students at Southside Ashpole Elementary School was August 27th.

ISD Six-Phase Process

The ISD Six-Phase process for identifying, selecting and operating schools that will be transferred to this new statewide school district is outlined below:



- I. **Consideration Phase** –The ISD team reviews the list of qualifying schools provided by the DPI Accountability Division and based on the most recent three years of data. This list is released publicly each year upon release of annual accountability data.
- II. **Evaluation Phase** – Once the list of qualifying schools is established and released, the ISD team conducts a review and analysis of the data for each school on this list. This includes steps that may result in a narrowed list of qualifying schools under final consideration based on school performance data and the local corresponding district’s performance.
- III. **Selection Phase** – Upon completion of all analysis and evaluation, as well as engagement with the local district superintendents, school principals, school boards, county commissioners and parents/community members for those schools under final consideration, the ISD Superintendent shall present a final recommendation for selection to the State Board of Education. Per statute, the State Board may approve this recommendation for selection in November but must make a final selection by December 15 each year.

During this selection phase, the ISD Superintendent and external evaluators work together to identify qualified and credible operators to contract for the operations and management of the selected school. Final selection will be made between January 15 and February 15 each year for those organizations recommended by the ISD Superintendent for contract with the State Board of Education for a 5-year period.

- IV. **Engagement Phase** – Engagement is focused on the final actions needed to formalize the selection and development of contracts between selected schools, operators, the local school district and the State Board of Education. In this phase, the ISD Superintendent will work with local leaders and selected innovative school operators to draft agreements and strategies for preparing school transfers to the ISD for operations in the upcoming school year.
- V. **Partnership Phase** – Once all contracts are signed and enacted, the innovative school operator, the local school district and the ISD are partnered to focus on the full scope of start-up operations. In this phase, which lasts the full 5-year contracted period, the partners are working to ensure high quality operations at the innovative school and are also working together to support and design strategies that could improve outcomes in local Innovation Zones (I-Zones) operated under the local school board. The ISD Superintendent will monitor progress of the innovative school and those schools in locally operated I-Zones during this phase.
- VI. **Transition Phase** – During the final year of operation of an innovative school under the ISD, the local school board and the ISD Superintendent will discuss strategies and processes to support the transfer of the school back into the local district. In the event

the local school board adopts a resolution that does not accept the return of the innovative school back into the local district, the ISD Superintendent will engage with parents, the community and the operator to explore other options. An innovative school operator can request and be granted a 3-year extension in their contract based on the progress made in student outcomes at the school.

In September 2018, the ISD review team reviewed the annual school data to determine the list of qualifying schools. Based on the most current 2017/2018 data available, a total of 14 schools qualified for selection statewide representing 9 school districts across North Carolina. The list of qualifying schools was made available on the ISD webpage at: www.InnovativeSchoolDistrict.org. Prior to this release and presentation, the ISD Superintendent engaged with the Superintendents in each local school district with a qualifying school to ensure they were aware and prepared for this public release.

Qualifying school were identified as follows:

Per G.S. 115C-75.5(5)

- School performance score in the lowest 5% of all schools in the prior year
 - Includes all or part of grades K-5
 - Did not exceed growth in at least one of the prior three school years and did not meet growth in at least one of the prior three school years
 - Did not adopt one of the established reform models in state statute for the immediate prior school year (had to be approved by the State Board of Education by June 30, 2018)
 - Must include rural and urban schools
 - Cannot engage more than one school from a single LEA

Below is the resulting list of 14 qualifying schools:

1. Ashley Academy - Forsyth County Schools
2. Brogden Middle – Wayne County Public Schools
3. Carver Heights Elementary – Wayne County Public Schools
4. Eno Valley Elementary – Durham Public Schools
5. Fairview Elementary - Guilford County Schools
6. Forest Park Elementary- Forsyth County Schools
7. Gaston Middle – Northampton County Schools
8. Hall-Woodward Elementary – Forsyth County Schools
9. Hillcrest Elementary – Alamance Burlington Schools
10. Kimberly Park Elementary - Forsyth County Schools
11. Renaissance West STEAM Academy – Charlotte Mecklenburg Schools
12. Stocks Elementary – Edgecombe County Public Schools
13. Vandalia Elementary – Guilford County Schools

14. Williford Elementary – Nash-Rocky Mount Schools

From this list of 14 qualifying schools, the ISD Superintendent used additional criteria to further narrow the list of schools for consideration. All schools that met the following criteria were removed from consideration:

- All schools rated as a “**D**” in the 2017-2018 school year
- All schools rated “**F**” but **met growth** in 2017-2018
- All schools who have **met academic growth** in both 2015-2016 and 2016-2017 **AND** earned a “**D**” rating for those same years

After applying this criteria to the 14 qualifying schools, and categorizing them as either rural or urban schools, the ISD Superintendent presented the following schools for final consideration to the State Board of Education on October 5, 2017.

RURAL	URBAN
1. Carver Heights Elementary Wayne County	1. Fairview Elementary Guilford County
2. Gaston Middle Northampton County	2. Hall-Woodward Elementary Forsyth County
3. Hillcrest Elementary Alamance-Burlington County	
4. Williford Elementary Nash-Rocky Mount Schools	

NOTE

On September 17, 2018, the ISD named a new Superintendent, LaTeesa Allen. Ms. Allen replaced founding Superintendent Eric Hall, who was promoted to Deputy State Superintendent of Innovation.

Ms. Allen brings a wealth of relevant expertise and experience to DPI’s leadership team. Her experience working with education systems and partners in other states offers valuable perspectives in how to accelerate student growth and achievement in low-performing schools.

Upon finalizing this list, the ISD Superintendent, LaTeesa Allen engaged with each local district with a school on this list to further examine school performance data and reviewed their most recent Comprehensive Needs Assessments (CNAs) completed by DPI to better understand the strategies currently being implemented and adopted for improving the schools.

Below is the data summary comparison for the 4 lowest performing schools under final consideration:

SCHOOLS	Carver Heights Elementary (Wayne)	Fairview Elementary (Guilford)	Hillcrest Elementary (Alamance)	Williford Elementary (Nash)
	Grade Level Proficiency 2017 - 18	18.4	25.6	26.5
Average School Performance Score (3-year average: 2015 – 2018)	29	37	38	31
School Performance Grades	2015-16 = F 2016-17 = F 2017-18 = F	2015-16 = F 2016-17 = F 2017-18 = F	2015-16 = D 2016-17 = F 2017-18 = F	2015-16 = F 2016-17 = F 2017-18 = F

Once this review and analysis was completed, the ISD had until October 15th, per statute, to provide notice to the local district(s) if they were to be recommended to the State Board of Education for final selection.

Considering this requirement, the ISD Superintendent sent notices on October 15, 2018, to the school board chairs and superintendents in Alamance-Burlington, Forsyth, Guilford, Nash-Rocky Mount and Northampton school districts indicating that they were not being recommended for selection for the 2018/2019 school year.

A separate notification was sent to the board of Wayne County Public Schools indicating that Carver Heights Elementary would be recommended for final selection at the November State Board of Education meeting. Prior to this notification, the ISD Superintendent met with the local school board, conferred with the county commission, engaged with the local school district superintendent, the principal and school personnel at Carver Heights elementary, and conducted a parent/community forum (public hearing). These meetings and activities provided opportunities for the ISD to explain why Carver Heights was being considered, while also allowing the ISD to receive input and feedback regarding the possible selection of the school for the ISD for the 2018/2019 school year.

In alignment with the notifications sent on October 15, 2017, the ISD Superintendent made a final recommendation to the State Board of Education on November 2, 2018 that Carver Heights Elementary be approved for selection for the ISD for the 2018/2019 school year. In support of the recommendation, the ISD Superintendent presented the following school performance data and district data for each school under final consideration:

SCHOOLS >	RURAL				URBAN	
	Carver Heights Elementary (Wayne)	Gaston Middle School (Northampton)	Hillcrest Elementary (Alamance)	Williford Elementary (Nash)	Fairview Elementary (Guilford)	Hall-Woodward Elementary (Forsyth)
Grade Level Proficiency 2017 - 18	18.4	32.0	26.5	19.1	25.6	31
Average School Performance Score (3-year average: 2015 – 2018)	29	39	38	31	37	43
School Performance Grades	2015-16 = F 2016-17 = F 2017-18 = F	2015-16 = F 2016-17 = D 2017-18 = F	2015-16 = D 2016-17 = F 2017-18 = F	2015-16 = F 2016-17 = F 2017-18 = F	2015-16 = F 2016-17 = F 2017-18 = F	2015-16 = D 2016-17 = D 2017-18 = F

With this recommendation and review of the data, the State Board of Education had some questions regarding data and process so a vote on the recommendation was postponed to the December board meeting. The information requested was assembled and will be presented to the board at their December meeting. At that time, the recommendation to transfer Carver Heights Elementary into the ISD will be restated to the Board for their consideration and approval.

Next Steps for the ISD in 2018/2019

The ISD will continue to engage the Wayne County/Carver Heights Elementary community to keep them informed about the ISD and to answer any questions they may have.

Applications from potential Innovative School Operators to manage and operate of Carver Heights Elementary School in Wayne County for the next 5 years. are due on December 7, 2018. Following the same process as last year, the ISD will contract with a third-party organization to evaluate the operator application submissions and complete a thorough review of each applicant's history of success, outcomes at other schools they operate and each applicant's capacity and ability to operate the innovative school with a focus on improving student growth and achievement.

As part of this third-party examination, the contracted external evaluators will engage local community representatives to gather input and participation in matching a qualified/credible operator with the needs and goals of the school. The external evaluation process is expected to be completed between January 15th and February 1, 2019 so that a final recommendation can be made by the ISD Superintendent to the State Board of Education prior to February 15, 2018 for the selection of the innovative school operator for Carver Heights Elementary. The ISD Superintendent's recommendation will be based on final evaluations provided by the contracted external evaluators and input from the local community.

Providing that the local school board in Wayne county adopts a resolution transferring the school into the ISD, the ISD Superintendent will work to have a final contract in place with the selected operator by April 2018. Once a contract has been signed, the ISD, the contracted operator and Wayne County Public Schools will collaborate toward full start-up operations for launch of the ISD 2nd school for the 2019/2020 school year.

If the local school board adopts a resolution closing the school, Carver Heights Elementary must close at the conclusion of the 2018/2019 school year. In this scenario, the ISD Superintendent will continue to monitor the progress of other ISD qualifying schools that were under consideration.

A new set of qualifying schools will be identified in September 2019, and four additional schools will be recommended for transfer to the ISD. Per statute, a total of five schools will operate as part of the ISD by the 2020/2021 school year.

Evaluation of the ISD and Innovation Zone (I-Zone) Models

In alignment with the requirements in statute, the State Board of Education has entered into a contract with an independent research organization, the Friday Institute, for the development and design of the five-year evaluation of the ISD and the Innovation Zone models. During the initial year (2018), a team at the Friday Institute, including researchers from the Research Triangle Institute (RTI), worked with the ISD Superintendent and ISD team to establish a research design that will ultimately guide the evaluation process.

The evaluation will examine student and school outcomes on standard accountability processes already in place for public schools in North Carolina as well as additional factors that may help to inform future policy and practice for the ISD and other public schools across the state. The evaluation design was completed in September 2018. The ISD is currently engaged with the Friday Institute to conduct the 5-year evaluation.