



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, 2018
Report # 1

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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:

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 ISD is operated and managed by the ISD Superintendent, Dr. Eric Hall. Dr. Hall was hired in May 2017 to launch and implement this new statewide intervention focused on improving student outcomes in low-performing schools. 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 that 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 of 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 fewer 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.

Recurring funds of \$400,000.00 are appropriated for the operation and administration of the ISD. In addition, a recurring 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. The State Board of Education shall contract with an external research organization to 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 for 2017

Beginning in May 2017 during the first month of start-up operations, Dr. Hall worked closely with division leaders across the Department of Public Instruction to establish basic protocols and processes for designing and implementing the requirements in G.S. 115C75.5 – 115C-75.13.

In July 2017, Dr. Hall presented to the State Board of Education the first public introduction of the ISD with a clear set of steps and actions aligned with the statutory requirements adopted by the North Carolina General Assembly. In this overview and introduction of the ISD, Dr. Hall presented a six-phase process for identifying, selecting and operating schools that would be transferred to this new statewide school district:

- 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 local district superintendents, school principals, school boards, county commissioners and parents/community members for 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 five-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 five-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 three-year extension in its contract based on the progress made in student outcomes at the school.

After completing this presentation and overview to the State Board of Education in July, the ISD engaged in an in-depth review of school performance data from the past three school years in coordination with the District and School Transformation team to better

understand the work and strategies deployed by this division at DPI. There was additional engagement with DPI's Accountability Division, as efforts focused on development of the ISD's first list of qualifying schools.

On September 7, 2017, the ISD Superintendent presented and released the inaugural list of qualifying schools to the State Board of Education. Upon the completion of this presentation, the list of qualifying schools was posted for the public to the ISD's webpage at www.innovativeschooldistrict.org. Prior to this release and presentation, the ISD Superintendent engaged with each local Superintendent with a qualifying school to ensure they were aware and prepared for this public release. A total of 48 schools qualified for consideration for the ISD representing 21 school districts across North Carolina. The following is a list of schools that qualified based on the requirements in statute for the ISD for the 2018/2019 school year:

District Name	District Code	School Name	School Code	Grade Span
Alamance-Burlington Schools	010	Harvey R Newlin Elementary	010354	PK-05
Alamance-Burlington Schools	010	Hillcrest Elementary	010358	PK-05
Anson County Schools	040	Wadesboro Primary	040311	0K-04
Thomasville City Schools	292	Liberty Drive Elementary	292316	04-05
Duplin County Schools	310	Wallace Elementary	310388	PK-05
Durham Public Schools	320	Eastway Elementary	320310	PK-05
Durham Public Schools	320	Eno Valley Elementary	320315	PK-05
Durham Public Schools	320	Glenn Elementary	320320	0K-05
Durham Public Schools	320	Lakewood Elementary	320339	PK-05
Durham Public Schools	320	Fayetteville Street Elementary	320344	PK-05
Edgecombe County Public School	330	Stocks Elementary	330354	PK-05
Forsyth County Schools	340	Ashley Academy	340308	PK-05
Forsyth County Schools	340	Forest Park Elementary	340376	PK-05
Forsyth County Schools	340	Gibson Elementary	340380	PK-05
Forsyth County Schools	340	Kimberley Park Elementary	340424	PK-05
Forsyth County Schools	340	Diggs-Latham Elementary	340430	PK-05
Forsyth County Schools	340	Middle Fork Elementary	340447	PK-05
Forsyth County Schools	340	North Hills Elementary	340462	PK-05
Forsyth County Schools	340	Old Town Elementary	340476	PK-05
Guilford County Schools	410	Cesar Cone Elementary	410349	PK-05
Guilford County Schools	410	Gillespie Park Elementary	410385	PK-05
Guilford County Schools	410	Washington Elementary	410586	PK-05
Hertford County Schools	460	Ahoskie Elementary	460308	04-06
Hertford County Schools	460	Riverview Elementary	460332	PK-06
Johnston County Schools	510	Selma Middle School	510390	05-08
Lenoir County Public Schools	540	Northeast Elementary	540325	PK-05
Martin County Schools	580	East End Elementary	580316	PK-05
Martin County Schools	580	Edna Andrews Elementary	580320	PK-05
Charlotte-Mecklenburg Schools	600	Bruns Academy	600489	0K-08
Charlotte-Mecklenburg Schools	600	Walter G Byers School	600574	PK-08
Nash-Rocky Mount Schools	640	Williford Elementary	640396	PK-05
New Hanover County Schools	650	A H Snipes Academy of Arts/Des	650384	0K-05
Northampton County Schools	660	Gaston Middle	660325	05-08
Northampton County Schools	660	Willis Hare Elementary	660360	PK-04
Pitt County Schools	740	Grifton	740352	PK-08
Pitt County Schools	740	South Greenville Elementary	740390	0K-05
Robeson County Schools	780	Orrum Middle	780352	05-08
Robeson County Schools	780	R B Dean Elementary	780390	PK-04
Robeson County Schools	780	Rosenwald Elementary	780394	PK-04
Robeson County Schools	780	Southside/Ashpole Elem	780408	PK-05
Robeson County Schools	780	Townsend Middle	780410	05-08
Union County Public Schools	900	Walter Bickett Elementary	900370	PK-05
Wayne County Public Schools	960	Brogden Middle	960312	05-08
Wayne County Public Schools	960	Brogden Primary	960314	PK-04
Wayne County Public Schools	960	Carver Heights Elementary	960318	03-05
Wayne County Public Schools	960	Eastern Wayne Elementary	960329	PK-05
Wilson County Schools	980	Margaret Hearne Elementary	980356	0K-05
Wilson County Schools	980	Vick Elementary	980357	PK-05

From this list of qualifying schools, the ISD Superintendent used the following criteria to further narrow the list of schools to four (4) schools for consideration:

1. Schools that currently receive funding through federal School Improvement Grants were removed from consideration.
2. The ISD then removed all schools rated as a “D” in the 2016-2017 school year.
3. The next step was to remove all schools rated “F” who met growth in 2016-2017.
4. Then all schools who met academic growth in both 2014-2015 and 2015-2016 **and** earned a “D” rating for those same years were removed.
5. All schools that are in a district with fewer than 35 percent of their schools designated as low performing were removed.
6. Removed one school from consideration in districts with two schools remaining on the list. (Durham and Robeson both had two schools remaining after steps one through five above were followed. This resulted in the removal of Lakewood Elementary in Durham and R.B. Dean Elementary in Robeson based on school performance data, growth and recent interventions.)

After applying this criteria to the 48 qualifying schools and 21 corresponding school districts, the ISD Superintendent presented the following schools for final consideration to the State Board of Education on October 5, 2017.

- Willis Hare Elementary, Northampton
- Glenn Elementary, Durham
- Williford Elementary, Nash Rocky Mount
- Southside Ashpole Elementary, Robeson

Upon finalizing this list, the ISD Superintendent engaged with each local district with a school on this list to further examine school performance data, review comprehensive needs assessments completed by DPI, and to better understand the strategies being implemented and adopted for improving the school. 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 notice on October 13, 2017, to the school board chairs and superintendents in Northampton, Durham and Nash Rocky Mount indicating that they were not being recommended for selection for the 2018/2019 school year. A separate notification was sent to the Public Schools of Robeson County School Board indicating that Southside Ashpole 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 Southside Ashpole, and conducted a parent/community forum (public hearing). These meetings and activities provided opportunities for the ISD

to explain why Southside Ashpole 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 13, 2017, the ISD Superintendent made a final recommendation to the State Board of Education on November 2, 2017, that Southside Ashpole 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 regarding the number of low-performing schools operating within each district.

Individual School	Willis Hare Elementary	Glenn Elementary	Williford Elementary	Southside Ashpole Elementary
Grade Level Proficiency in 2016/2017	31.1%	32.3%	19%	18.4%
Average School Performance Score (3-year average: 2014 – 2017)	44%	37%	35%	33%
School Performance Grades	<ul style="list-style-type: none"> • 2014/2015 = D • 2015/2016 = D • 2016/2017 = F 	<ul style="list-style-type: none"> • 2014/2015 = F • 2015/2016 = F • 2016/2017 = F 	<ul style="list-style-type: none"> • 2014/2015 = D • 2015/2016 = F • 2016/2017 = F 	<ul style="list-style-type: none"> • 2014/2015 = F • 2015/2016 = F • 2016/2017 = F
School District	Northampton County	Durham Public Schools	Nash Rocky Mount Public Schools	Public Schools of Robeson County
Number of Low-performing Schools in School System	4 of 7 57%	18 of 50 36%	14 of 24 58%	27 of 41 66%

Individual School		Willis Hare Elementary	Glenn Elementary	Williford Elementary	Southside Ashpole Elementary
Grade Level Proficiency (GLP)	2014-2015	44.5	29.4	31.0	29.4
	2015-2016	43.1	30.0	27.4	23.6
	2016-2017	31.1	32.3	19.0	18.4

With this recommendation and review of data, the State Board of Education voted unanimously to approve a recommendation for selection of Southside Ashpole Elementary School. The ISD Superintendent sent final notification of this approval by the State Board of Education on November 2, 2017, to the school board members in Robeson County.

Next Steps for the ISD in 2017/2018

Innovative School Operator Selection: As of December 1, 2017, the ISD finalized its initial application process for qualified and/or credible operators for possible contract for the management and operation of Southside Ashpole Elementary School in Robeson County for the next five years. There are two organizations that have submitted completed applications for contracting as an Innovative School Operator. They are Achievement for All Children (AAC), a nonprofit organization based in North Carolina and The Romine Group (TRG), an organization based in Michigan, with one school in their network operating in Fayetteville, North Carolina.

The ISD has contracted with *School Works*, a third-party, nationally recognized organization with extensive experience in evaluating operator applications and proposals. Their evaluation will include a thorough review of each applicant's history of success, outcomes at other schools they operate and each applicant's capacity and ability to effectively manage the innovative school with a focus on improving student achievement.

As part of *School Works'* examination as the contracted external evaluators, they 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, 2018, 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 an innovative school operator. The ISD Superintendent's recommendation will be based on final evaluations provided by *School Works*.

Local School Board Response: The School Board for the Public Schools of Robeson County is in the process of making a final decision regarding the future of Southside Ashpole Elementary School in Rowland. Southside Ashpole is the first school to be selected and approved by the State Board of Education for transfer to the Innovative School District. The local School Board held a public hearing, as required in G.S. 115C-75.7(c), on December 12th at the school. Approximately 100 members of the local community were present with several providing comments to the local School Board. The great majority expressed a strong opinion focused on keeping Southside Ashpole open and allowing the partnership with the ISD to take place for the upcoming school year. Speakers included the newly elected Mayor of Rowland, the Town Clerk, local faith leaders, parents, and community leaders who are alumni of Southside Ashpole Elementary. After closing the public comment portion of the hearing, the School Board Chair indicated that the Board would take an official vote on their decision at the upcoming meeting in January.

Providing that the local school board in Robeson 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 the Public Schools of Robeson County will collaborate toward full start-up operations for launch of the inaugural ISD school for the 2018/2019 school year.

If the local school board adopts a resolution closing the school, Southside Ashpole must close at the conclusion of the 2017/2018 school year. In this scenario, the ISD Superintendent will continue to monitor the progress of other ISD qualifying schools that were under consideration, while working to finalize all start-up processes for this new statewide school district model. In the event Southside Ashpole is closed, a new set of qualifying schools will be identified in September 2018, based on current statute, and from that list at least two schools will be selected for the 2019/2020 school year. The final three schools would then be selected based on school performance data from the 2019/2020 school year with their start-up in the ISD taking place in 2020/2021. All five schools would be operating as part of the ISD by the 2020/2021 school year per statute.

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 this initial year a team at the Friday Institute, including researchers from the Research Triangle Institute (RTI), is working with the ISD Superintendent and ISD team to establish a research design that will ultimately guide the evaluation process. The evaluation is expected to 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 ISD held its first evaluation design meeting with the external research team at the Friday Institute on November 2, 2017, with a follow-up meeting to be scheduled in December 2017.