INTRODUCTION

Individuals who support free markets and limited government often are the most strident advocates for school choice. Many of these same individuals applaud the development of the emerging school choice market in New Orleans. The irony of this is that Louisiana has expanded choice and created the first all-charter school district in the country through the use of greater centralized control.¹

This strategy of promoting decentralization through centralization is spreading. Thus far, Louisiana’s turnaround has inspired Tennessee, Michigan, and Virginia to adopt similar models.

This paper explains how the Pelican State came to be a bastion for school choice and a model for other states. Specifically, it details how Louisiana has been able to develop a robust school choice system through the state’s Recovery School District.

DECENTRALIZATION THROUGH CENTRALIZATION: THE STORY OF THE RECOVERY SCHOOL DISTRICT

By James V. Shuls, PhD

with Christien West and Allison Davis
It is clear from this review that New Orleans would not be the school choice model that it is without the vast authority that has been placed in the hands of the Louisiana Board of Elementary and Secondary Education (BESE).

LOUISIANA’S RECOVERY SCHOOL DISTRICT

This transformative process began two years before Hurricane Katrina, when the RSD first started taking over low-performing schools. In 2003, the state of Louisiana passed a constitutional amendment creating the statewide Recovery School District under the direction of the BESE. Its mission is “to create a world-class public education system in Orleans Parish in which every decision focuses on the best interests of the children.”

The RSD has the authority to take over any “academically unacceptable” (failing) school in the state. Each year, failing public schools are closed, reorganized, and reopened, and charter operators or the RSD run them. Initially, this reform was meant to be a gradual process. However, in 2005, Hurricane Katrina demolished New Orleans’ infrastructure, providing a catalyst for the RSD to accelerate the process of education reform and “create a fundamentally better public education system in New Orleans.”

To do this, the RSD was vested with greater authority. Just as important, the RSD approached the school district model with an entirely different philosophy.

Centralized Accountability

A key component of the Louisiana RSD model is centralized accountability at the school level rather than at the district level, as is common in Missouri. Every year, the Louisiana BESE evaluates each school in the state and gives it a school performance score. Student performance on standardized tests, attendance rates, and graduation rates are weighted in the evaluation. If a school receives an academically unacceptable school performance score, then the RSD has the authority to take control of the school.

The majority of failing schools in Louisiana are in Orleans Parish—this has been true for many years. Initially, the RSD planned to take over failing schools gradually—a handful each year. The hurricane destroyed the physical infrastructure of the public school system, thus providing the opportune moment for the RSD to clean away the stagnant social and political infrastructure of the public school system.

After Hurricane Katrina devastated New Orleans in August of 2005, the RSD stepped up to reopen quality public schools as quickly as possible.

In November 2005, BESE raised the bar of acceptable performance and added a layer of accountability for school districts. As a result, Orleans Parish School District was labeled as “Academically in Crisis.” Therefore, any school under Orleans Parish School Board with a school performance score below the state average—not just “academically unacceptable schools”—became
eligible for RSD takeover. This included 107 low-performing schools, which were transferred from the Orleans Parish School Board’s control to the RSD for a trial period of five years.⁸

In subsequent years, Louisiana has raised the minimum acceptable school performance score. In 2003, a score of 60 or below made a school academically unacceptable. In 2005, it was raised to 65 and in 2012 was increased again to 75.⁹ The RSD has established a reputation of being firm, so schools know that if they fail to meet standards, the RSD will intervene. Therefore, as the minimum school performance score continues to rise, school quality hopefully will continue to increase, and the RSD will steadily improve the lowest-performing schools in Orleans Parish.

Centralized Authority to Utilize Closed Public School Buildings

To help facilitate this system, the RSD was granted the ability to not just close a school, but to commandeer the facilities and let a new school operator use them. When the RSD takes over a failing school, it is given all “rights and responsibility of ownership regarding land, building, facilities, and other property” of the school, except that it cannot sell the school buildings, which still belong to the Orleans Parish School Board.¹⁰ Such a level of autonomy allows the RSD to make tough decisions about closing schools and changing the status quo of education in New Orleans. The ability to close schools and repurpose the facilities is a tremendous power vested in the centralized entity.

Centralized Authority to Authorize Charter Schools

Initially, the RSD had two types of schools: direct-run and charter. The BESE-controlled direct-run RSD schools, and private, non profit operators ran RSD charter schools. Early on, BESE took control of more schools and operated them directly. The goal, however, was not...
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to run schools, but to create a culture of change. Therefore, there was a concerted effort to attract charter operators to run schools. Over time, the number of direct-run schools in the RSD has dropped and, starting in the fall of 2014, all RSD schools will be charter schools.

Centralized Enrollment and Expulsion

When children in New Orleans apply to public school, they fill out the OneApp. The OneApp made its debut in January 2008—it streamlines the application process to New Orleans schools. Applicants list their top eight choices from all RSD direct-run schools, RSD charter schools, and Orleans Parish School Board direct-run schools. Charter schools under the management of the Orleans Parish School Board often have selective enrollment and require separate applications. On the first application deadline, all submitted applications are considered simultaneously in a lottery. In this lottery, each student has an equal chance of getting his or her most desired choices, with two exceptions. When a student lives in the geographic area where his or her desired school is located, he or she is given preferential treatment. Additionally, siblings of a student who already is enrolled at a school are given “sibling priority.” These two exceptions were put in place to maintain community schools and to reinforce the family’s role in education.

The lottery matches each student to a single school, which the family can either accept or reject, and move to a second round of lotteries. By the second round of lotteries, the seats at the most desired schools often are filled; thus, students have a much lower chance of getting into their top choice during this round. Unfortunately, if a parent submits an application late, his or her child is at a disadvantage.

The RSD goes to great lengths to match students with their top choice by actively reaching out to the community. When the RSD began operating schools, approximately 200 public forums were held to get input and to educate parents on the new public school system. (The RSD website has many easy-to-understand infographics explaining the structure and processes of the RSD.)

All of these policies and procedures are communicated to the community in an impressive packet of informational outreach materials. Complicated concepts are boiled down to the important points that parents need to know. This material is available on the RSD’s website, at every participating school, and at family resource centers. Parents and students are invited to OneApp school fairs, school...
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Events, open houses, and community events leading up to the first due date for the OneApp. At these events, families can learn about the enrollment process, tour schools, meet teachers and staff, ask questions, and socialize.16

Equality among students is one of the RSD’s main goals. To ensure equal opportunity in the OneApp, the state makes sure that schools do not turn away students with special educational needs or with disadvantaged socioeconomic backgrounds. There is also a centralized expulsion process to ensure that students with behavioral problems are not “counseled out” of schools.17 These centralized processes prevent the oft-cited criticisms of charter schools—creaming and cropping. Creaming implies that a school selects only the best students, while cropping is getting rid of bad students.

An Eye Toward Human Capital and High-Quality Operators

While the RSD has greater authority to take over schools, the mission is not to run each school. Rather, the RSD is expressly intent on creating a portfolio of autonomous schools. In effect, the RSD allows the new school operator to use existing buildings, but to start anew. This means the RSD does not dictate operations to schools, especially in terms of hiring teachers. Rather, the RSD pays special attention to attracting and developing talented teachers and school leaders. As one charter school operator said, the “leadership shortage is the primary limiting factor of charter school growth.”18

When veteran teachers returned to the city of New Orleans after Hurricane Katrina, they were not guaranteed their jobs. Each had
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To re-apply and re-interview, and administrators with both RSD direct-run and charter schools had the authority and autonomy to hire whomever they thought would be best for the job. In response to criticism, Superintendent Paul Vallas maintained that “veterans were not being pushed out, but simply that principals were given the autonomy to hire whomever they wanted, and they were hiring a mixed selection of teachers.” The school leaders could replace or rearrange everyone—all the teachers, administrators, and staff, many who had not returned to the city yet anyway—and start over. From there, they built a new physical and human infrastructure using funding from both private and public sources. A $28 million federal grant supported New Schools for New Orleans and partnered with the RSD in their efforts to recruit human capital. Charter school operators, public school administrators, and organizations such as Teach for America and The New Teacher Project (TNTP) were brought into Louisiana to recruit quality leaders and develop human capital. Teachers were offered signing bonuses and moving expenses, and teacher pay schedules were linked to school performance scores. The Federal Emergency Management Agency (FEMA) funded the Quick Start initiative to build three new school buildings and renovate two old buildings. The Walton Family Foundation provided a grant to support the RSD’s High School Redesign initiative. A master plan was conceived to put all these dollars to their best use in rebuilding, renovating, and reopening public school buildings.

Just as RSD officials sought to develop teaching talent, they also worked to attract quality charter operators to New Orleans. Immediately after Katrina, the RSD struggled to find enough quality charter operators to take over the failing schools. In 2006, 44 organizations applied to operate charter schools, but BESE had very high standards and only approved six. The National Association of Charter School Authorizers helped Louisiana identify quality operators and advised BESE in the application process. The RSD invited established operators into Louisiana, including the Knowledge Is Power Program (KIPP), but in the interest of longevity and sustainability, the RSD also brought in charter school incubators. Incubators such as Building Excellent Schools and the Cities for Education Entrepreneurship Trust (CEE-Trust) help jumpstart charters by connecting local leaders with the resources and human capital they need to open a school.

Evidence of Improved Performance

Thus far, RSD schools have been successful. One of the most important measures of student academic achievement in the state is the Louisiana Educational Assessment Program (LEAP) standardized test scores of fourth and eighth graders. LEAP test results determine whether or not a student may continue on to the fifth grade or
to high school, respectively. While the percentage of students scoring “basic” or “above” (passing) on the LEAP test is lower in RSD schools than in Orleans Parish district schools and the rest of the state, the increase in the percentage of passing students grows most rapidly in the RSD from year to year. On the math section of the LEAP test for fourth graders, between 2007 and 2013, the Orleans Parish Public School District experienced a 14 percentage-point increase in scores, and the RSD saw a 34 percentage-point increase. During the same period, on the math section of the LEAP test for eighth graders, the RSD experienced a 37 percentage-point increase while the public district saw a 19-point increase. Similar patterns were seen on the English and language arts sections (from the same testing period).

**Figure 4:** Percent of Students Scoring Basic or Above on LEAP in 2007 and 2013

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IS THE RECOVERY SCHOOL DISTRICT A MODEL FOR MISSOURI?

A recent paper by the Cities for Education Entrepreneurship Trust (CEE-Trust) and supported by the Missouri Department of Elementary and Secondary Education (DESE) proposed that Missouri create a system very much like the Louisiana RSD. The CEE-Trust plan called for the creation of Community Schools Offices (CSOs) to take over unaccredited school districts. Like the RSD, the “CSO would not, after a transition period, directly operate any of the community’s public schools. Instead, it would carefully select a variety of nonprofit school operators that run each public school in the community.”

If Missouri were to follow CEE-Trust’s advice and adopt a recovery school district model, the Show-Me State would not be the first to follow Louisiana’s lead. In 2009, Tennessee created the Achievement School District. Michigan set up the Education Achievement Authority in 2011, and Virginia established the Opportunity Educational Institute in 2013. These districts are mild versions of the RSD with a long-term goal of creating a decentralized, predominantly charter-based public school system in their respective states. The expressed goal of each of these entities is not to run schools, but to completely change the system in order to foster an environment where excellence can emerge.

This stands in stark contrast to the methods employed in Missouri.

Over the past few years, the Missouri Legislature has vested greater authority in the State Board of Education and DESE to intervene
in failing school districts. Thus far, the state board has replaced the elected school board in the Saint Louis and Riverview Gardens school districts. In the Normandy School District, which was struggling with financial insolvency and academic problems, the state board voted to dissolve the district, create a new district, and appoint a new board. The purpose in each of these instances was to right the ship and then return control to local elected officials. This approach is very different from the RSD approach in New Orleans.

Were Missouri to consider an RSD model, the state board and DESE would not only need more centralized control, they also would have to fundamentally change their philosophy for school governance. They would have to support an educational market. As Neerav Kingsland, former CEO of New Schools for New Orleans, wrote, “The RSD leader must humbly acknowledge that a marketplace of school operators will, over the long run, outperform even the best direct-run system.”

In terms of authority, several changes would need to be implemented. First and foremost, DESE would need to hold every school accountable for its performance instead of only evaluating the public school system at the district level. This is a policy that has received growing support in recent years. DESE also would need authority to utilize existing school buildings and to authorize charter schools. Currently, a university must authorize and the state board must approve charters. This process could still be used but would require greater coordination with multiple agencies in the state.

Potential Pitfalls of a Recovery School District

As always, there are potential pitfalls with vesting more control in one centralized bureaucracy. In a true free market, charter authorizers would open and expand based on demand for spaces in their schools. In an RSD system, where a centralized agency has the authority to take over schools and grant the building to an approved charter operator, there is potential for quid pro quo, rent seeking, and other dishonest behaviors. Large charter operators with political connections could garner favors and special treatment from the government agency. This could place independent and new charter operators at a significant disadvantage to their well-connected competitors.

There is also the possibility that the processes put in place could lead to negative outcomes, not because of political graft, but because of unintended consequences. For instance, the RSD has set forth some metrics that they believe allow them to identify schools that will help students improve academically. Parents, however, may have different notions of quality and they may desire different types of schools. Thus, the types of schools that may open under a RSD regime may be different from the types of schools that may flourish in a true choice market. There may be fewer
schools focused on the arts and other areas not included in the RSD quality matrix. Additionally, the market could develop slower if the RSD controls the number of new schools allowed to open each year.

There is also the potential for the RSD model to have negative impacts on public schools in danger of being taken over. Many school choice advocates suggest that choice is accountability. The RSD model, however, is not built exclusively on choice. Rather, it is a combination of a test-based accountability system and a choice system. Schools are identified as low-performing based on student performance on standardized achievement tests. This could yield positive results if schools react in ways that will generate real and sustained learning gains. However, there is always the possibility that school officials will respond in less positive ways. There could be more pressure to game the system, cheat, or engage in activities that result in test score bumps without real learning gains. This, of course, is a problem with all test-based accountability systems, especially when they focus on student achievement rather than growth.

The problems outlined here are not problems observed with the Louisiana RSD. Rather, they are potential problems with vesting this type of authority in a centralized agency. Of course, a complete free-market system would have its own potential drawbacks, which are not discussed here. The goal here was not to compare and contrast the RSD to other models, but to simply highlight potential pitfalls.

CONCLUSION

Creating a decentralized state entity through the use of greater centralized control may initially sound like a strange, almost counterintuitive, idea. Louisiana’s RSD, however, shows that it can be done. Having one entity helps streamline the process. Typically, local education agencies, such as school districts, fight against efforts to decentralize governance of schools. In Missouri, for example, Saint Louis and Kansas City have long had the ability to authorize charter schools. Until recently, both districts were hesitant to do so. In 2012, school districts throughout the state were given such ability. To date, no district outside of the urban districts has sponsored a charter school. A statewide agency could overcome this opposition. As Neerav Kingsland said, “Given our current power structures, government itself must initiate this transition to relinquish control back to educators and parents.”

That is not to say a robust charter school system cannot develop without state intervention. As of the 2012–13 school year, Kansas City and Saint Louis were ranked among the highest cities in terms of the percent of students attending charter schools. Thirty-six percent of Kansas City students and 24 percent of Saint Louis public school students attended charter schools, ranking the cities fourth and 11th, respectively. At the time, 79 percent of New Orleans public school students were in charter schools.
The Louisiana RSD system is an intriguing model, and it is worth considering. Supporters of this system, however, should be aware of potential negative outcomes of this model. The same type of centralized power that allowed the RSD to take over schools and turn them into charter schools could be co-opted. If not created and managed with an eye toward decentralized control, it could lead to greater bureaucracy and top-down management from the state capitol.

A decentralized school system will not magically appear simply by granting greater authority to bureaucrats in Jefferson City, and the goal should not be to replace one local monopoly with one state monopoly. The RSD was able to achieve decentralization in Louisiana because that was the will of the leadership in control of the organization. In New Orleans, the RSD focuses on setting up charter schools—not micromanaging them. RSD officials did not attempt to impose a specific educational approach in every school. Rather, they sought to create a system where choice and competition would allow innovation to flourish. They empowered autonomous schools, built support systems, helped attract talent to the area, and they hold schools accountable for results. If Missouri, or other states, wish to replicate the Louisiana RSD model, this same mindset must permeate the system.

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NOTES:


4 Ibid.


11 This is a basic diagram of the structure of the RSD. Source: [http://www.rsdla.net/apps/pages/index.jsp?uREC_ID=195276&type=d](http://www.rsdla.net/apps/pages/index.jsp?uREC_ID=195276&type=d).


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