# Performance Contracts and the DMV: The Future of School Accountability

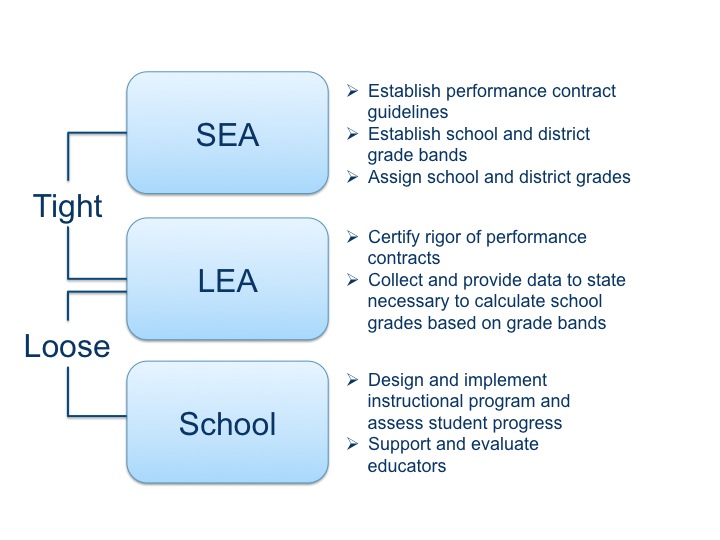
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## Design objectives

Our state accountability framework is guided by three core principles:

1. College may not be for everyone, but the option of college must be. Students should be able to participate fully in society, pursue their dreams, and support their families. In the 21st Century, that means every student must be prepared to succeed in college if she chooses. Choice is key here – by definition, an education system that only prepares some students to succeed in college assigns other students to other roles in life, limiting their options and their chances of being successful. A student who chooses not to attend college should do so on her own volition rather than having that decision thrust upon her due to a lack of preparation and opportunity. Thus, while not every student may complete college, every student must be ready and able to do so.
2. Performance goals are floors, not ceilings. Performance goals are meant to indicate an acceptable minimum threshold for performance, but they are not meant to be the end goal themselves. Schools and local communities should be encouraged to reach beyond and to exceed targets wherever applicable, and the accountability system should work in a way as to not constrain what is possible in terms of performance, innovation, or growth.
3. Integration of measures is key. The state accountability system should incentivize districts and schools to work holistically to raise achievement and performance across a broad spectrum of outcomes. When employers are asked what they look for in a new hire, they often prioritize softer skills (e.g. teamwork, problem-solving) in addition to academic ones. A school that does really well across multiple measures should fare better under the accountability system than a school that does any one or two things better than the rest, but is lacking in other areas.

This design aspires to create the conditions for flexibility and entrepreneurship at the local level. One of the problems that arose with the previous accountability regime was that it funneled schools toward one model. By allowing schools and districts to develop their own performance goals aligned with their program, existing performance, and needs of students, ownership of school improvement will lie with the stakeholders closest to the students.



Under this model, state and local roles evolve appropriately to reflect lessons learned from the best school improvement models. The role of the State Educational Agency (SEA) is to establish the overall guidelines for performance accountability and the relative value of school performance (school grades), as well as set the bar for proficiency on state assessments. The role of the Local Educational Agency (LEA) then becomes much like a charter authorizer – it establishes with each school a performance contract based on state guidelines that reflects the needs and goals of the school. Decision-making related to personnel and budgeting are pushed down to the school level, aligned with the goal of focusing resources and improvement efforts on the students who need them most. For instance, a school that is generally high-performing may not need to focus on overall growth as much as progress with specific subgroups. The mechanics of this model put the LEA in a much more prominent position in terms of guaranteeing quality. In the past, this has not served students well, as LEAs have not demonstrated a consistent commitment to quality or equity. Thus, the state must have tight accountability over the LEA and ensure that the LEA is developing and monitoring rigorous performance contracts with its schools, providing supports when necessary for improvement, and ensuring that all students are receiving equal educational opportunities.

This stands in contrast to how the SEA currently operates in many states where it acts as if it’s the state’s largest LEA. Because SEAs will wield even greater power over education policy under ESSA, any accountability framework must take SEA capacity into consideration. Our design recognizes the inherent limitations of SEAs and plays to their strengths by identifying what we believe states can effectively accomplish with their newly conferred authority.

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| What the SEA can do well: | What the SEA cannot do well: |
| * Shine a light on performance issues * Turn up the heat on low performers * Administer assessments * Collect, calculate, and publish data | * Choose curricula * Operate schools * Mandate innovation |

The overall framework of indicators is detailed in Appendix A below. To achieve the flexibility offered by a performance contract, we propose a system similar to an identification verification model (we’re calling it the “driver’s license alternative” model – see these examples from [Texas](http://www.dps.texas.gov/internetforms/Forms/DL-57.pdf) or [Michigan](https://www.michigan.gov/documents/sos/Applying_for_lic_or_ID_SOS_428_222146_7.pdf)) in which the end user (in this case, the school) chooses among options that allow it to meet the state’s minimum requirements. The degree of choice that a school has will depend on past performance via an earned autonomy model: schools that consistently meet their performance objectives will have greater latitude in choosing which measures to use, while poor-performing schools may receive greater direction from the state and LEA. Once a school has chosen a suite of measures aligned to the indicators in the framework, they will remain in place for a prescribed period of time as to obviate the issues that would arise from switching indicators (selectively or wholesale) on an annual basis.

Every school will be measured by overall academic growth, performance of subgroups, and progress of ELL students, per ESSA. The remainder of the accountability framework, however, can be tailored for each school. There are five groups of indicators. Within each group, there are multiple measures from which to choose. Two groups – Academic Growth and All Students Achieve – require the selection of two measures to reflect a greater weighting among the five groups. A state may choose to add additional measures; in fact, it is encouraged to do so as part of the design. The state can provide as much or as little flexibility as it wants and can adapt and adjust the model as new measures are developed or existing measures are discarded.

In granting LEAs the authority to oversee school-level flexibility in choosing indicators, the SEA must appropriately guard against those that might attempt to game the system, specifically with regard to where the proficiency bar is set. Our framework is premised on the state assuming good motive: districts and schools will endeavor to ensure rigorous outcomes for students. However, the SEA must also be alert to results that do not pass a basic smell test. As an example, to borrow from a different yet relevant context, an F-rated school that reports having 100% of its teachers rated as highly effective would raise eyebrows. Similarly, a school with high rates of suspending Black students that reports high levels of satisfaction from student surveys of the same population might require suspending disbelief. SEAs should be able to develop such a system of checks and balances in collaboration with local communities; the process would not need to be overly burdensome.

### Overall Academic Growth (Fordham 2b)

Academic growth will be measured through the use of a state growth model that computes a school-level growth score for each school based on the progress made by students in math and reading. Growth measures would not be used for accountability purposes until at least three years of data exists for the calculation.

### Subgroup Performance (Fordham 2f)

Every school will have to track and make public the performance of all subgroups, and will be graded on the degree to which subgroup performance meets the targets established in the performance contract. Moreover, subgroups that do not make progress each year will count against the school’s overall grade. Targets for this indicator will be described in terms of absolute performance. Growth and gap closing will be addressed in the Academic Growth and All Students Achieve indicators.

### Progress Toward English Language Proficiency (Fordham 2c)

Each school must demonstrate progress toward English language proficiency, as measured by the growth in proficiency among students in this subgroup.

### Academic I and II (Fordham 2a)

Each school must establish a target performance goal for math and reading proficiency that reflects reasonable, yet ambitious, progress for all students based on the prior year’s proficiency rates. Additionally, each school must select at least one additional academic measure related to achievement in subjects other than math and reading. Selection of the additional measure could be based on an academic area that is in need of improvement or a measure that reflects a special or unique emphasis of the school’s academic program (e.g. the school has a STEM focus).

### Academic Growth (Fordham 2b)

Each school must select two measures that demonstrate growth in a core academic area. Schools must establish targets that are reasonable, yet ambitious; align with the school’s long-term goals for proficiency; and reflect growth among students at every performance level. Growth must also recognize that proficiency is the floor, but mastery is the end goal. Thus, schools would be encouraged to move students not just from basic to proficient, but also from proficient to advanced. In calculating growth, schools can choose to use valid and reliable growth models that currently exist or devise their own in concert with the state.

### Student Success and Quality (Fordham 2d)

Each school must choose at least one measure related to student success or school quality. While the measures for this indicator do not speak directly to student academic performance, they should encompass measures that directly or indirectly impact teaching and learning (e.g. school climate, educator effectiveness, etc.). High schools would include measures related to post-secondary readiness.

### All Students Achieve (Fordham 2a,f)

Each school must choose two measures that capture the progress of targeted subgroups, including ELL students and students who significantly trail their peers in achievement, and the degree to they are catching up.

### Summative schools grades and ratings (Fordham 2e,g)

Each school will receive a grade on an A-F scale based on the degree to which they meet their target goals detailed in their performance contract. The state would determine ranges for performance based on a summative evaluation of performance and designate them as grade bands. In keeping with the requirements of ESSA, indicators for achievement, growth, and English language proficiency are weighted most heavily because there are at least two measures for each indicator that must factor into the school’s performance goals.

Following the design principle that integration of measures is key, the summative grade will work in such a way as to favor those schools that achieve well across the spectrum of performance goals over schools that have greater variation in performance. Interventions will be determined by progress in achieving goals of the performance contract (with grade caps for failure to meet academic portions).

Unique to this model, the + and – accompanying the overall grade will serve as a signal regarding whether the school is improving or declining in performance. Earning a B+ means the school is getting better; a B- means the school did worse than in the previous year. Using this grade model, parents might choose a C+ school over a B- school based on the performance trajectory. See Appendix B: Sample Schools Worksheet.

# Appendix A: Overall Framework

\* The indicator options below are meant to be illustrative, but not comprehensive

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| Overall Academic GrowthRequired | Academic IChoose at least one | Academic IIChoose at least one | Academic GrowthChoose two | School Success and QualityChoose at least one | All Students AchieveChoose two |
| Growth in students proficient or above in math and reading | Percentage of students proficient or above in math and reading on state assessment | Percentage of students proficient or above in science | Percentage of students who move from basic to proficient or above in reading or math in one academic year | Percentage of students who complete advanced coursework or an experiential/laboratory learning course | Percentage point decrease in achievement gap in reading and math among students in all subgroups or between students in two targeted subgroups and the highest-performing subgroup |
| Subgroup PerformanceRequired | Percentage of students proficient or above in math and reading on state-approved, norm-referenced assessment (e.g. SAT-10, NAEP) | Percentage of students proficient or above in social studies | Percentage of students who move from proficient to advanced in reading or math in one academic year | Overall percentage of time missed by students due to out-of-class or out-of-school discipline | Percentage point decrease in achievement gap in reading and math between students performing in top and bottom quartiles |
| Percentage of students proficient in math and reading in all subgroups | Percentage of students proficient or above on to-be-determined early elementary state assessment | Percentage of students proficient or above in music or arts | Growth in percentage of 3rd graders proficient and above in reading | Growth in educator evaluation ratings in one academic year | Percentage point gap between rates of student discipline between white and non-white students |
| Progress Toward English Language ProficiencyRequired |  | Percentage of students who are advanced in science, social studies, music, or arts | Longitudinal growth in reading proficiency among students matriculating from Kindergarten to 3rd grade | Percentage of students assigned to an educator rated effective or higher | Percentage point gap between rates of student discipline between general and low-income students |
| Growth in proficiency among English language learners |  | Percentage of students who complete advanced coursework or an experiential/laboratory learning course | Progress of lowest-performing students in reading in one academic year (e.g. moving from one score band to another) | Growth in percentage of students who are engaged in school (e.g. extracurricular activities, attendance, etc.) | Percentage point gap in 3rd grade reading proficiency between students in two targeted subgroups and the highest-performing subgroup |
|  |  |  | Growth among students at the low end of an achievement gap that is greater than the growth of students overall | Combined measures of student, parent, and educator satisfaction |  |

# Appendix B: Sample Schools Worksheet

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| *Profile of elementary school A*   * Urban, 90%+ FRL, 75% Black, 20% Hispanic/Latino, 5% Other * Grades 1-6, 435 students * Performance contract results from prior year: met 3 out of 10 measures | *Profile of elementary school B*   * Suburban, 50% FRL, 50% White, 40% Hispanic/Latino, 10% Black * Grades K-5, 350 students * Performance contract results from prior year: met 9 out of 10 measures |

*Measures chosen (agreed to by both the school and the LEA) and performance*

* White: met target established in the performance contract
* Gray: failed to meet target established in the performance contract

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|  | Overall Academic Growth | Subgroup Performance | Progress Toward EL Proficiency | Academic I | Academic II | Academic Growth | School Success & Quality | All Students Achieve |
| Elementary school A | Growth in students proficient or above in math and reading | Percentage of students proficient in math and reading in all subgroups | Growth in proficiency among English language learners | State assessment | Music assessment (locally developed) | 3rd grade reading assessment (state) | Student, parent, and staff surveys (locally developed) | Decrease in achievement gap between Black students and Hispanic & Tongan students (3rd grade reading assessment) |
| Percentage of students who move from proficient to advanced in math (state assessment) | Discipline referrals between Black and Hispanic students |
| Elementary school B | Growth in students proficient or above in math and reading | Percentage of students proficient in math and reading in all subgroups | Growth in proficiency among English language learners | Nationally normed assessment | Science assessment (locally developed) | 3rd grade reading assessment (state) | Student, parent, and staff surveys (locally developed) | Decrease in achievement gap between Hispanic and White students (nationally normed assessment) |
| Growth of lowest performing students (nationally normed assessment) | Discipline referrals between Hispanic and White students |

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| *Summative calculation for elementary school A*   * Met 6 out of 10 measures * Performance contract called for meeting 4 out of 10 measures * **Final grade: C+** | *Summative calculation for elementary school B*   * Met 7 out of 10 measures * Performance contract called for meeting 9 out of 10 measures * **Final grade: B-** |