

Sticking Points:

How School Districts Experience Implementing the Portfolio Strategy



Robin Lake, Jordan Posamentier,
Patrick Denice, and Paul Hill

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About This Report

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Introduction

Policy wonks know that it is one thing for senior government officials to commit to a line of action, and quite something else for the government to act differently as a result. Policies often don't get implemented in the ways their advocates and opponents assume. Old practices also hang on, limiting what can be done.

A striking example of how old policies can limit new ones is the uneven progress cities and districts have made in implementing the portfolio strategy. In some cities, this promising change strategy is in operation; however, in other cities it has hit some critical sticking points that prevent full implementation. As master architect Ludwig Mies van der Rohe observed, the devil is in the details. The analysis described here shows exactly where the devil is hiding:

- While a small number of portfolio districts are “advanced,” too many are moving very slowly or are stalled.
- Some districts are implementing portfolio in a very piecemeal fashion that is unlikely to produce significant results for students.
- A group of districts not well known for portfolio implementation have been making a lot of progress lately.
- Districts tend to get “stuck” on or avoid the parts of portfolio systems that require a fundamental central office restructuring or union contract change.

Despite these “sticking points,” some districts are finding ways to move forward regardless of the challenges. To support them, more intentional and aggressive community and state leadership are likely needed to overcome the most difficult barriers to portfolio implementation.

What is the Portfolio Strategy?

The [portfolio strategy](#) is a change strategy for public education in a district or metropolitan area. It is founded on the idea of re-missioning government agencies from rigid bureaucratic entities that mostly manage compliance requirements and interest group politics to a new role: overseeing performance and a diverse range of school choices (the portfolio) from which families can choose.

Top school officials in a city that has adopted the portfolio strategy are constantly looking for ways to improve the quality of the schools they oversee, and to guarantee that all families have choices among good schools. They operate as portfolio managers. Since no school model is right for every child, the city needs a diverse array of schools. By constantly reviewing school and student outcomes, as well as school climate and neighborhood needs, portfolio managers know which schools are both performing and trending well, which schools have the possibility of improving, which schools must be replaced with options that are right for the affected students, and which neighborhoods need new schools.

The Portfolio Strategy's Seven Essential Components

Since the Center on Reinventing Public Education (CRPE) introduced the portfolio strategy concept in the early 2000s, more than fifty localities have adopted the idea and sought to put it into practice. For the past five years, CRPE has tracked their progress over time by conducting an annual review focusing on seven essential, interrelated portfolio components. Here is the logic:

Good options and choices for all families: Districts implementing the portfolio strategy start with the premise that families must be able to find the best fit for their child, and that children should not be assigned to a school where they are less likely to learn. That means giving families choices among different kinds of schools.

School autonomy: Autonomy allows schools to be different, innovative, and able to meet diverse student needs. An autonomous school has control over selecting its teachers and devising a curriculum to meet the needs of its students. To make the most of their time and money, schools need complete budget control and freedom from centralized staff development programs, bell schedules, procurement policies, and countless other well-intentioned but one-size-fits all mandates.

Pupil-based funding for all schools: Moving budgetary control to schools is central to the portfolio strategy, but it is one of the most difficult components to implement fully. For school budgets to grow, central office budgets must shrink. For budgets to accurately reflect school-level costs, money must be allocated based on how many students the school serves, with add-ons for special education and other unique costs. This approach is a sea change for school districts, which often resist reductions in central office staff and typically do not track real school-level costs.

Talent-seeking strategy: Every city needs smart, compassionate, motivated, creative people working in schools and central offices, and interested in working in an autonomous system. Portfolio cities have strategies to develop the strong people they already have and seek new talent from a wide array of sources, including the best districts, charter schools, and training programs.

Sources of support for schools: Distinctive schools with a special focus such as technology or the arts require very tailored support, which can come from many different providers beyond the traditional ones. Administrators whose job used to be providing curricular or professional development support now must see their job as cultivating broad support from community organizations or helping to create networks of schools. In a fully implemented portfolio system, the district is a provider of last resort.

Performance-based accountability for schools: With freedom must come accountability. If a nonprofit charter management organization or a district leadership team is running schools that perform well, the portfolio manager should ask them to run more schools. If a school is not working after years of trying to improve, it should be replaced. To oversee a diverse set of autonomous schools, portfolio managers must establish, over time, performance contracts and common performance metrics with every school in the portfolio so that parents and government can compare strengths and weaknesses across all school types—charter and traditional public schools. Strong information systems are critical to help families understand their options and choose wisely among them.

Extensive public engagement: Tying all of these ideas together is a strong connection to families and the community. Is this change what they want? Do people understand and value the plan? Are things getting better? For most communities, the portfolio strategy represents a major change in how schools are run and managed, and can threaten many established interests. Changes can also greatly impact particular neighborhoods or communities. Understanding their frustrations and expectations is imperative for the strategy to be sustainable.

How We Track Implementation Progress

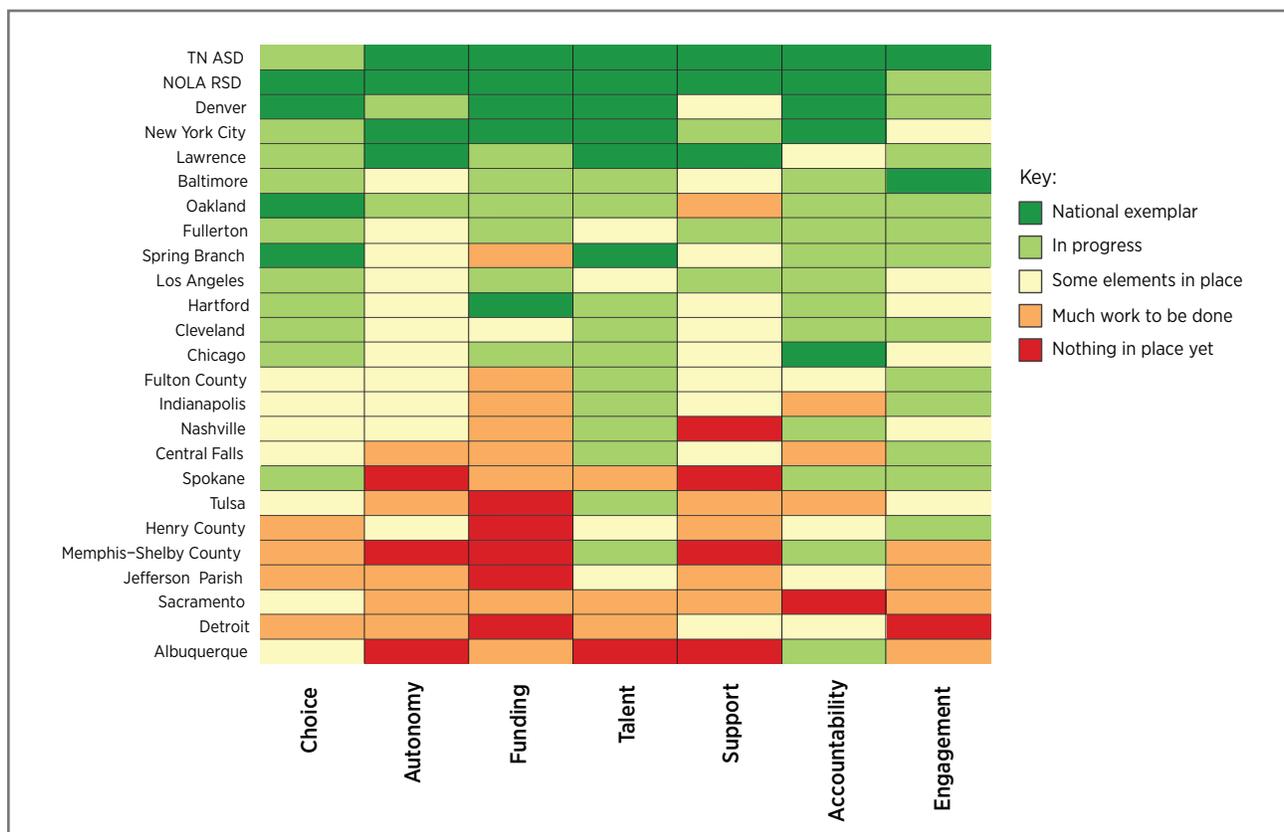
CRPE annually interviews district leaders as well as observers and critics.¹ These interviews provide a unique perspective on how completely each district has implemented the seven components, and a check on whether implementation is progressing. We can also tell whether there are some parts of the strategy that districts are finding extremely difficult to implement or are avoiding.

We break each of the seven components into multiple data elements (see Appendix 1 for a complete list of components and corresponding elements) to track localities' implementation of the portfolio strategy. For example, to assess implementation of options and choices, we ask about the degree to which families can choose among all public schools, whether all students have equitable access to schools, whether districts are replacing low-performing schools, etc.

We report each district's scores on implementation of the components in an annual "snapshot" published on our website. As Figure 1 shows, each component is scored on a color-coded scale: dark green reflects a "national exemplar" and red signifies "nothing in place yet." To come up with an aggregate portfolio score for the district overall, we average each component's set of data elements, and then average those component scores together.

1. Upcoming work will capture a citywide view of the work and responsibilities of providing public education in a city (e.g., the charter sector, mayor's office, community leaders, etc.).

Figure 1. Snapshots Tracking Implementation Progress 2016



Looking at every district’s score on each of the data elements gives us a fine-grained picture not only of where districts are making progress but also where they might be struggling.

CRPE has published annual “dashboards” of implementation progress since 2013, but this is the first time we have analyzed the data for trends across all portfolio districts. The dashboards are based on interviews we conduct with district leaders. We assess evidence to support self-reported progress, but the data are necessarily subjective. Despite these limitations, the interviews we’ve conducted for three years offer useful trends in how districts are attempting to implement the portfolio strategy and where they are making the most or least progress. Future CRPE analyses will provide quantitative measures of progress as well as a broader view of cities’ portfolio management successes and challenges.

The analysis in this paper focuses on three questions:

- How much progress are districts making?
- Which districts are making the most progress in implementing a portfolio strategy and which locations are stymied?
- How does implementation vary by portfolio strategy element?

The findings discussed below draw on a detailed analysis of all 36 portfolio elements across 25 districts for which we had enough “snapshot” data—at least three years of interviews, the last of which occurred in January 2014 or more recently—to include them in this analysis.² Figure 2 shows all 52 districts that have at some point been part of the Portfolio Network (those that are currently implementing or have in the past). The 25 districts we included in this analysis are highlighted in green.

2. More than 50 cities are affiliated in the Portfolio Network, but we track and analyze implementation for a subset of those who are actively engaged in implementation.

Figure 2. Districts CRPE Has Tracked Over Time

Districts That Have Participated in the Portfolio Network Over Time								
DISTRICT	MOST RECENT SNAPSHOT	TOTAL # OF SNAPSHOTS	DISTRICT	MOST RECENT SNAPSHOT	TOTAL # OF SNAPSHOTS	DISTRICT	MOST RECENT SNAPSHOT	TOTAL # OF SNAPSHOTS
Albuquerque	Jan. 2015	3	Fullerton	Jan. 2016	4	Oakland	Jan. 2016	5
Aldine	July 2014	2	Fulton County	Jan. 2015	5	Philadelphia	Jan. 2013	2
Alum Rock	N/A	0	Gilbert	Jan. 2015	1	Prince George's County	Jan. 2016	1
Austin	Jan. 2014	2	Grand Prairie	Jan. 2016	2	Providence	Jan. 2016	2
Baltimore	Jan. 2016	6	Hartford	Jan. 2016	5	Riverside	Jan. 2014	1
Baton Rouge	July 2013	2	Henry County	Jan. 2016	3	Rochester	Jan. 2013	1
Boston	Jan. 2014	1	Houston	Jan. 2015	2	Sacramento	Jan. 2014	4
Broward	Jan. 2014	1	Indianapolis	Jan. 2016	4	San Antonio	Jan. 2016	1
Camden	Jan. 2015	1	Jefferson Parish	Jan. 2015	5	San Jose	Jan. 2014	2
Central Falls	Jan. 2016	5	Lawrence	Jan. 2016	6	Spokane	Jan. 2016	6
Chicago	Jan. 2016	6	Los Angeles	Jan. 2016	6	Spring Branch	Jan. 2016	5
Cincinnati	Jan. 2015	2	Memphis-Shelby County	Jan. 2016	5	St. Louis	Jan. 2016	2
Cleveland	Jan. 2016	6	Minneapolis	Jan. 2013	1	TN ASD	Jan. 2016	6
Colombus	Jan. 2014	1	NOLA RSD	Jan. 2016	6	Tacoma	Jan. 2015	1
Dallas	Jan. 2014	1	Nashville	Jan. 2016	5	Tulsa	Jan. 2016	4
Denver	Jan. 2016	6	New London	Jan. 2013	1	Windham	Jan. 2013	1
Detroit	Jan. 2016	4	New York City	Jan. 2014	3			
Franklin-McKinley	Jan. 2014	2	Newark	N/A	0			

Five districts—the New Orleans (NOLA RSD) and Tennessee (TN ASD) state turnaround districts, Denver, New York City, and Lawrence—can be considered “advanced” in terms of their overall portfolio implementation: the districts have more than half of their portfolio strategy components rated as being “in progress” or better: light green or dark green. In state-run school districts such as New Orleans and Memphis, and some districts with elected boards such as Denver, families can now choose among a variety of public school options, educators have high levels of freedom to design and staff their own educational programs, and school openings, replication, and closures are largely contingent on performance. Those districts have made high levels of progress (dark green squares) across most elements. Full implementation, however, is not a guarantee that the reforms will continue to progress or can be sustained.

As Figure 3 also makes clear, many districts are making little or no progress (mostly orange and red) in some or all components. These districts are suffering from any number of maladies, including lack of intentionality toward a strategy (Sacramento and Albuquerque), political quagmire (Detroit and Nashville), or they are just now starting to ramp up (Indianapolis and Tulsa). The next sections show how districts vary in implementation and describe the elements in which they are making the most and least progress.

Some districts are implementing portfolio in a very piecemeal fashion that is unlikely to produce significant results for students

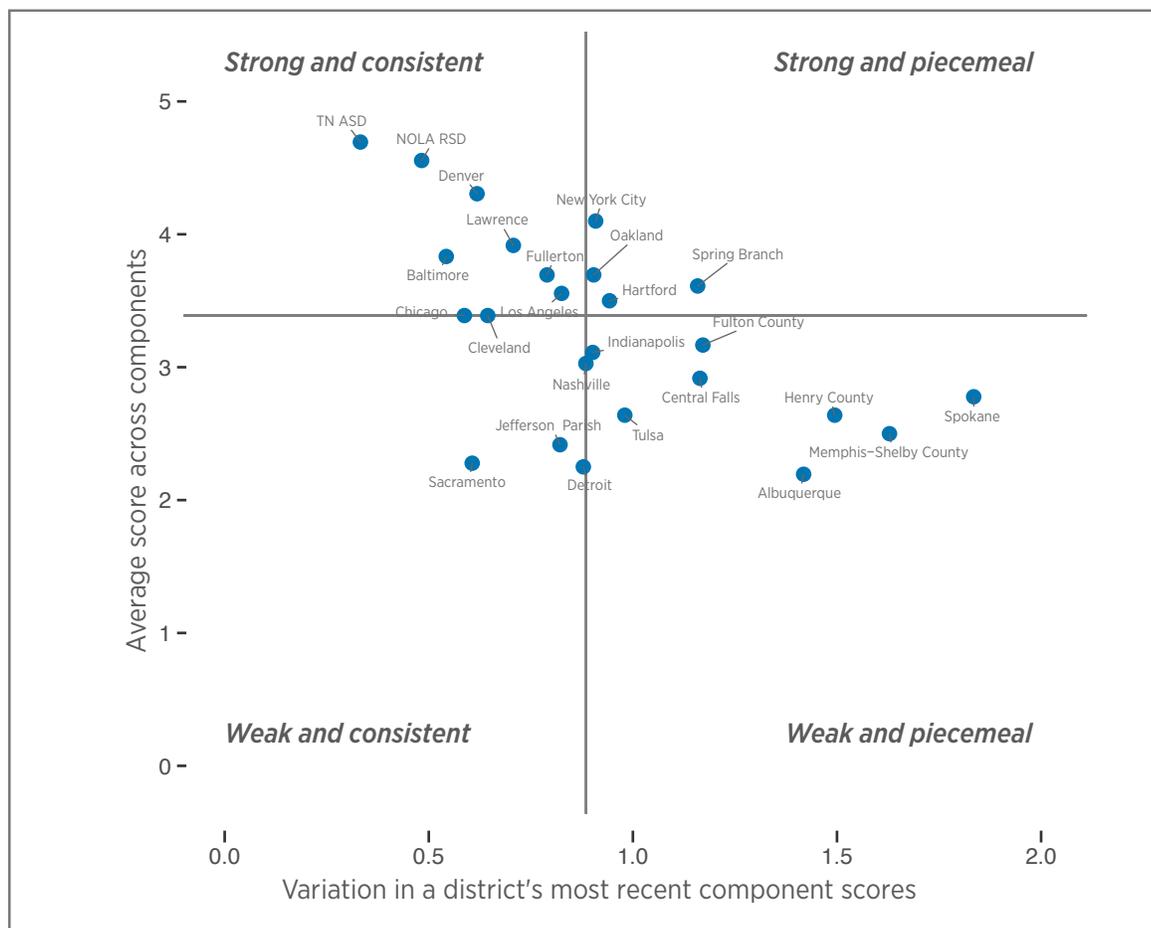
Figure 4 highlights how districts differ in implementation. The Y-axis represents the overall strength of a district's portfolio implementation over time. Scoring a “5” on the Y-axis is the strongest a district can reach.

This figure also measures, on the X-axis, how consistent the district's portfolio component scores are.³ Highly varied implementation means that a district scores much higher in some components and elements than in others. A district might choose to focus on moving autonomy to schools, for example, but is not holding those schools accountable for results. As discussed in the introduction, the portfolio strategy is designed to be mutually reinforcing, so a more piecemeal approach—in our view—is less likely to succeed long term.

Those districts that have implemented more elements designed to work together as a *consistent* reform strategy, then, are on the left side of the figure (e.g., TN ASD, Lawrence, Oakland, Indianapolis), and districts that have implemented in a more *piecemeal* fashion are toward the right (e.g., Spokane, Albuquerque, Memphis-Shelby County).

3. Specifically, we calculate spread as the variance in a district's scores on either its average or its most recent scores across the snapshot elements. Variance is the average of the squared differences from the mean: $\sigma^2 = (\sum(X-\mu)^2)/N$.

Figure 4. Implementation Can Be Consistent or Piecemeal, Strong or Weak



Specifically, the chart shows that seven districts in the top left are scoring high and are implementing consistently across many data elements. Most of these “strong and consistent” districts have pursued a coherent and well-articulated vision of portfolio for many years. NOLA RSD, for example, over the course of ten years has consistently moved all of its schools to operate with full financial and programmatic autonomy and performance-based accountability by transitioning them to charter status. They also transformed the central office to focus entirely on managing performance and equity and to working with community organizations to ensure schools receive the supports they need.

One district, Spring Branch Independent School District in Texas, scores fairly high but also ranks high on variance (top right). It can be considered “strong but piecemeal.” Spring Branch has excelled in developing diverse and strong principal pipelines, and it has expanded school choice in an effort to increase the number of students completing a post-secondary credential.⁴ However, the district has not re-tooled its funding system; it does not fund schools on a per-pupil basis or send a high proportion of district funds to the school level for principals to manage.

Portfolio districts in the bottom half of the chart can all be considered “weaker.” Some have implemented only a few elements; others have made little progress. Those in the bottom left are interesting because they have been trying to implement many portfolio components on the belief that all are important and are mutually reinforcing. Some have stalled out under new leadership (e.g., Sacramento and Chicago), some have made some progress but never had much momentum (e.g., Nashville and Detroit), and others are just getting started (Tulsa and Indianapolis).

4. The Spring Branch (Texas) Plan.

More worrisome are the six districts in the bottom box and furthest to the right (e.g., Albuquerque and Memphis-Shelby County). They score low overall but have made progress on some elements, evidenced by wide variance in scores. Some of these districts are just getting started on a portfolio strategy, some are only mildly committed, and some have simply abandoned it or are struggling to move it forward.

Some unheralded cities have made a lot of progress recently

The previous section paints a picture of how districts have progressed over the period of the last several years, but it does not show recent efforts or lack thereof.

Figure 5 shows which districts have made the most dramatic progress recently. (We took the difference between the most recent snapshot score and the average score for that district over time.) A number of districts that are not well known for portfolio implementation look strong on this measure, although there are important caveats.

Districts with a low average score over time coupled with recent advances in implementation score quite high (Indianapolis, Oakland, Lawrence), while districts with higher scores over time (NOLA RSD, Denver) have a much harder time demonstrating recent relative gains. (We are also often unable to interview district leaders once the district's commitment to a portfolio strategy wanes, so some districts' progress may be worse than is represented here.)

Still, this is a helpful way to identify cities that have been making recent progress.

Figure 5. Unsung Districts Making Recent Progress

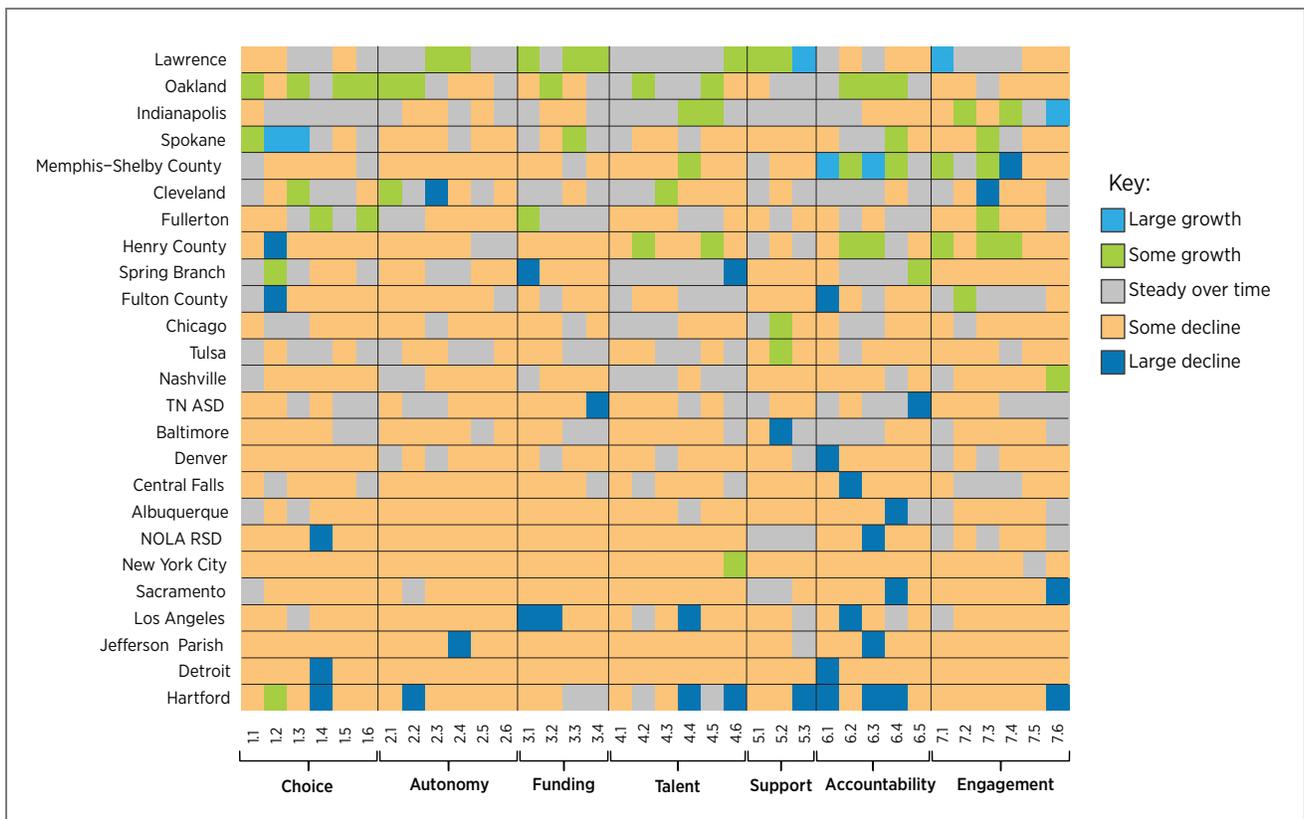


Figure 5 also highlights slower-moving or “stuck” districts. Some of the districts in the bottom half of the chart represent efforts that have stalled or never really gotten off the ground for various reasons, including change in district leadership (Sacramento), community backlash (Detroit), and lack of real district commitment to the portfolio idea (Albuquerque).

Baltimore, a highly ranked district in terms of overall portfolio implementation, looks much worse in the analysis of recent progress: Baltimore moved a long way toward portfolio implementation under Superintendent Andrés Alonso’s aggressive efforts to empower principals and to move budgetary control to schools; recent progress under his successor has stalled.⁵ New York City’s reforms have stalled for similar reasons.

Accountability, Talent, and Choice Are Implemented Most Often

Figure 6 shows how fully each component is being implemented. *Accountability*, *Talent*, and *Choice* are implemented more than other components. In some ways, it’s not surprising to see these components rising to the top. They are positive actions—they involve open deliberation without necessarily making tough tradeoffs.

Accountability is heavily influenced by state law, which often prescribes accountability measures for its districts and schools and requires them to publicly post their results under those measures, which gives many districts a bump in their score. Some districts have enhanced the state accountability metrics by adding their own set of metrics and are doing that in concert with charter schools in their area. What really matters in accountability systems is whether those metrics are used to intervene in or expand schools. Districts get credit for the presence of accountability, but often fall short of acting on it.

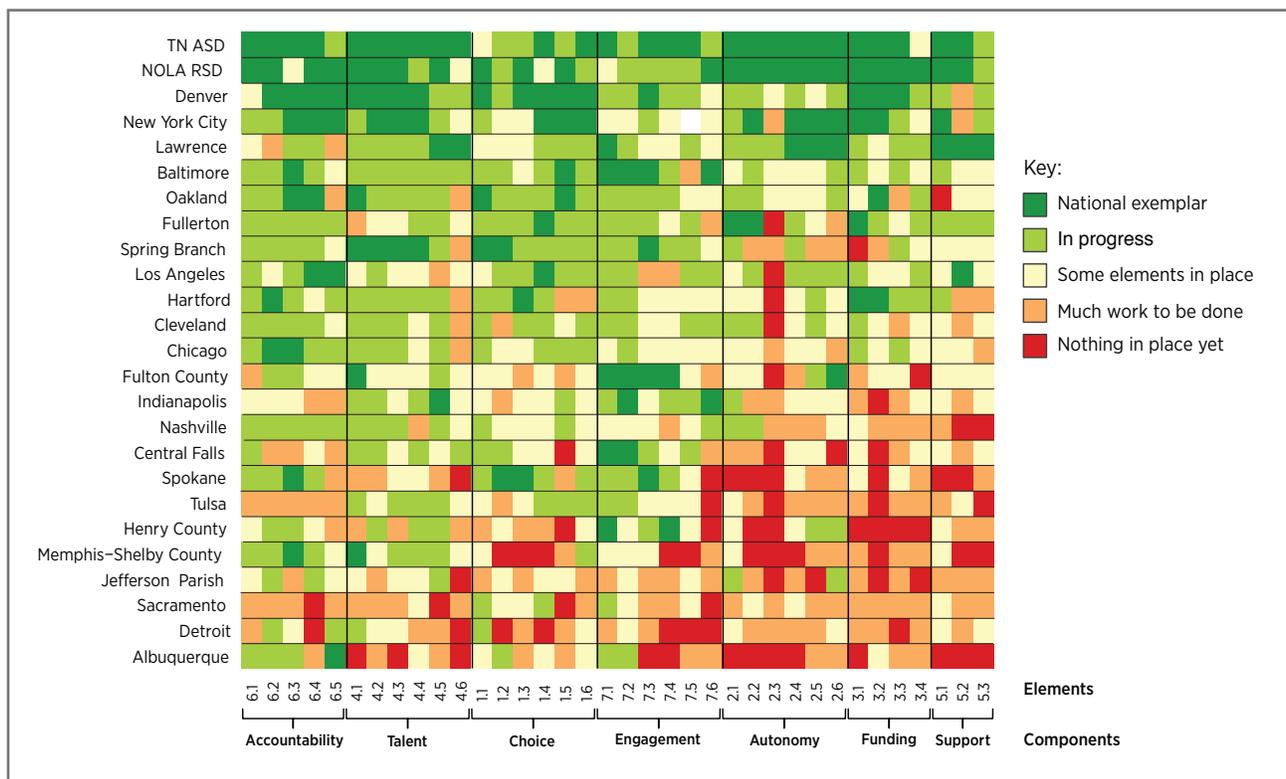
Talent entails cultivating and monitoring teacher and principal pipelines. In our most recent interviews with districts in 2016, talent strategies were among the more commonly implemented strategies, which reflects what we hear on the ground—that districts are placing a lot of emphasis on finding teachers and leaders who can create and run effective autonomous schools.

Choice, or changing student assignment from district choice to family choice, is essentially a technical exercise. It usually involves the work of small groups of people or contractors who produce technical products—information guides and lottery algorithms, for example.

In the end, *Accountability*, *Talent* and *Choice* are the components that appear easiest to make progress on. But *Engagement* also leans toward more robust implementation. This is surprising because CRPE often hears from community leaders that districts are not seeking enough input or are not transparent enough about their plans. Districts report that while they offer public meetings and post their efforts on the district website, they still struggle to come up with satisfying engagement strategies. Outreach to the community is a common activity—which explains *Engagement’s* high score—but the depth of it is clearly not sufficient given what district and community leaders report to us and what comes across in the news. Going forward, CRPE plans to adjust the elements and interviews to better reflect this nuance.

5. Betheny Gross and Ashley Jochim, “Incomplete Reform in Baltimore,” *Education Next*, Fall 2016.

Figure 6. Accountability, Talent, and Choice Are Implemented Most Often
(Portfolio components sorted by highest average ratings)



Restructuring the central office, pupil-based funding, and collective bargaining changes are real “sticking points”

Districts are more likely to implement the *Accountability*, *Choice*, and *Talent* components, but are less likely to implement the *Autonomy*, *Funding*, and *Support* components. They involve a more significant restructuring of the central office and would likely benefit from more state legislative assistance. They also require rethinking traditional collectively bargained agreements.

The sticking points around *Funding* entail devolving central office control of spending by transferring money to schools that were formerly controlled by a bureaucracy. This action moves money away from district bureaucracies and into the hands of school principals. Instead of controlling services, districts would set prices for the services they can deliver. This would allow principals, who under the portfolio strategy can buy from wherever they think best (which speaks to *Support*, a component that depends heavily on *Autonomy* and *Funding*), including deciding whether to purchase what a district has to offer. Similarly, the sticking points around *Autonomy* would require loosening central office controls on school spending and design. Principals set their own priorities and budgets so they can actually spend the extra money they get.

The *Funding* and *Autonomy* components require significant adjustments to powerful entities in the traditional school district—the central curriculum and instruction office and the teachers union, whose collective bargaining agreement with the district often includes district-wide step-and-ladder salary schedules (*Funding*) and seniority-based placement and dismissal processes (*Autonomy*).

Some districts have made it through the “sticking points”

Although many districts are stuck when it comes to rethinking the central office and collective bargaining, a few have made significant progress and offer useful models for others to consider.

Autonomy – allowing schools to control compensation: Collective bargaining agreements at the district level have been a challenge for many portfolio network districts seeking to give schools autonomy over staff compensation, but some districts have managed to move forward with school-based staff decisions.

- *Tennessee’s Achievement School District* and *Louisiana’s Recovery School District* share the highest scores for this element; since most of their schools are operated as charter schools, the schools actually control compensation.

Other examples for this element might include Lawrence Public Schools (near Boston) and Grand Prairie Independent School District (near Dallas). These two districts with traditional public schools have strived to rethink managing staff compensation at the school level.

- *Lawrence Public Schools* has worked with the local teachers union to implement a new career ladder that begins with base salaries at seven different levels. Principals can pay teachers above-the-floor salaries with stipends, and they can decide how quickly teachers move up the career ladder. Teachers are paid more for teaching difficult subjects and for taking on extracurricular assignments, and they can be paid more for areas of higher need—for example, English Language Learning, alternative education, and special education. This model has its limits, but it has perhaps many applicable lessons for other districts, given the prominence of collectively bargained agreements in most major urban systems.
- *Grand Prairie ISD* sets a salary schedule for all districts, and their school board further sets a schedule within the state framework. But principals are provided an opportunity to work with their human resources department to negotiate differentiated teacher pay. They can secure bonus pay and incentive pay for teachers in hard-to-staff subjects and locations. They further influence pay via certain parameters set by Texas law.

Pupil-Based Funding – common prices for facilities and central services across sectors: Some cities—Albuquerque Public Schools is a good example—have not yet tackled this issue. The Albuquerque school district controls all goods and services provided to schools, and it has not priced any of them out on a per-pupil basis. The same goes for its facilities. It has established a few contracts for charter schools (in the form of MOUs), but it has no general policy about charter schools’ freedoms and obligations. Negotiations start afresh with each school.

- *Spokane Public Schools* hired an accountant to research establishing market-rate rents for school facilities and charging the same rents to both charter- and district-run schools. They are also in the planning phase of an initiative to price out services and figure out how both charter and traditional public schools could access them.
- *Cleveland Metropolitan School District* and *Oakland Unified School District* have set common prices for facilities but have not priced out district-provided services, or offered them across the sectors.
- *Lawrence Public Schools* has gone further and created a menu of services and prices that traditional and in-district charter schools can all draw from.

New Sources of Support – engaging independent providers: Our interviews with districts indicate that there is no one reason why districts are stuck in this area. In some districts, such as Baltimore City Public Schools, principals have the autonomy to purchase services, and the district has set up a relatively effective procurement process. The problem is that schools don’t have an easy “market” to shop in. Independent providers aren’t lining up to sell goods and services to schools, so principals end up purchasing most of their services from the district.

In other districts, individual schools either lack interest in using outside providers or want to avoid the procurement struggles that are typical of service contracting. At Providence Public Schools in Rhode Island, the district does not

offer a list of providers and makes no concerted effort to court an array of providers. Principals have some purchasing autonomy—mostly at the high school level—but little has been done to capitalize and expand on this autonomy. At Albuquerque Public Schools in New Mexico, all purchasing is currently done through the district. Vendors work with the central office, not individual schools. The district courts providers only for district-wide initiatives, and even that is rarely done.

However, we do see some districts moving in a positive direction:

- *Denver Public Schools* has an autonomy pilot for principals to take control over their school budgets and purchase anything supplemental, particularly educational technologies, within the district's differentiated autonomy framework. Schools must choose to buy in to most of the district's centrally provided goods and services.
- *Lawrence Public Schools* has adopted a philosophy that the central office should not be in the business of providing its schools with goods and services. Most services come from outside providers. Schools can opt out of current district-provided services, such as special education and operational services, which are currently treated as chargebacks.
- *New Orleans RSD* is not in the business of providing goods and services to its schools but relies on organizations like New Schools for New Orleans, a local nonprofit, to help bring in and showcase new third-party providers in which the RSD schools (all charters) might be interested.
- *Tennessee ASD*, which oversees school turnaround efforts by both charter- and district-run schools, is actively trying to reduce the goods and services it provides to schools. The ASD is working with the district and national funders to develop a marketplace of high-quality support options from which its school operators may choose.

Other sticking points: While the *Autonomy*, *Funding*, and *Support* components are common sticking points, districts often struggle with specific elements of other components, especially those that threaten existing power dynamics. One clear example is element 4.1, innovative ways to increase the numbers of students taught by strong teachers and leaders, which is rarely implemented under *Talent*. (See Appendix 1 for a complete list of components and corresponding elements.)

A district might excel in this element in several ways:

- Move effective teachers and leaders toward disadvantaged students and schools.
- Expand schools and classes under the purview of effective teachers and leaders while limiting or reducing school or class size for struggling teachers and leaders.
- Extend the school day and the school year or create summer learning opportunities.
- Negotiate statutory or collectively bargained limitations on teacher and leader assignments, transfers, and pay.

Oakland Unified School District, Chicago Public Schools, and Spokane Public Schools are examples of districts that are interested in strengthening the *Talent* component of their portfolio strategies.

Conclusion: Leadership at the Local and State Levels Is Needed to Address the Most Difficult Barriers to Implementation

The analysis we present here shows that an increasing number of districts are interested in implementing the portfolio strategy. It also shows that progress is often slow and uneven, with many districts stuck on the same things.

Many districts that find themselves stuck are dealing with the same issues: devolving resources from central offices so that they can be used flexibly in schools, rethinking collective bargaining in order to advance per-pupil funding and school-site autonomy, and building new structures and talent to support autonomous schools and expanded parent choice.

District and civic leaders tell us that progress is slow on these components for several reasons. They are a bigger lift, managerially and politically, than other actions required to implement the strategy. The central office's habit of holding onto budgets and staff and assuming they will solve all problems centrally is hard to break. Redistributing dollars based on student need is controversial because some schools lose (those that have previously had greater than average funding) and others gain. And teachers unions often oppose student-based funding because schools with expensive senior teaching staffs would no longer be able to afford them. Also, giving real budgetary and staff control to schools can lead to problems if schools don't have the financial and strategic capacity to manage those budgets effectively.

Districts need greater guidance and examples of how to transition away from central office control of funds. We at CRPE and our colleagues at the Edunomics Lab, Education Resource Strategies, and other organizations can help supply ideas about how to allocate the majority of district funds to schools on a per-pupil basis and offer tools to help district leaders re-mission the central office. But analysis can only help so much. Given the strength of interests served by existing central offices, restructuring also requires focused advocacy and political organization. Community organizations, advocacy groups, and civic leaders must press for needed shifts of functions and funds.

Our analysis also shows the limits of looking at portfolio progress through only a district lens. In places like Baton Rouge and Detroit, portfolio solutions are being initiated outside the district. The district is not the primary portfolio manager in cities like Memphis, where Shelby County Schools and the state-run Achievement School District are both managing portfolios and trying to coordinate special education and other services. In the District of Columbia, DC Public Schools and the DC Public Charter School Board both work aggressively to create new options for families and have implemented a common enrollment system.

What matters in the end is not who manages the portfolio of options in a city, but rather whether the components of the portfolio strategy are implemented. CRPE is working on a new resource that will allow entire cities or metropolitan areas to review school quality and equity of access. We will continue to track outcomes for students in these and other cities to learn which cities are moving most quickly toward improved educational opportunities for all students.

Localities are increasingly turning to portfolio reforms out of recognition that schools and teachers are best positioned to address their students' needs and that government is best positioned to ensure that performance and equity are achieved in the process. This is a simple proposition with very complex implementation and political challenges. We owe it to the bold leaders promoting these changes to help them address the challenges, whether it is by pushing them to be bolder, by providing funding to rebuild central office capacity with new skills and mindsets, or by providing state-level policy changes and political supports to enable the work.

And we cannot ignore the fact that where portfolio implementation has been implemented most fully—the New Orleans RSD, the Tennessee ASD, and Lawrence, Massachusetts—states have created the conditions to re-mission the role of government and the district toward a portfolio model. Portfolio is a local phenomenon, but it is inevitably linked to the state. At a minimum, portfolio needs some permissive state laws and regulations that localities can use to give schools more control over staffing, budgets, and purchasing. An even better scenario is to have state officials who are willing to help clear out laws and regulations that get in the way of portfolio strategies and provide political

cover for forward-thinking local leaders. Allowing local labor contracts to be renegotiated in support of mission-driven schools that choose their own staff, or working with cities to establish a special education revolving loan fund to help independently operated schools manage their special education obligations, are examples of how state leaders can help local leaders get past some of the barriers noted in our analysis. In some cases, more definitive state action such as mayoral control, board replacement, or—in extreme cases—state takeover, is necessary.

Less interventionist state actions can include running interference for local boards and superintendents with the state bureaucracy, training and mentoring new superintendents, seeking technical amendments to state laws that have unintended consequences for particular districts, and setting performance standards and accountability measures that can't be altered so local leaders have no choice but to replace low-performing schools.

CRPE is developing a series of papers and tools that can help states understand what options they have for ensuring that local portfolio reforms can succeed long term. As states roll out plans for ESSA (Every Student Succeeds Act) implementation, consideration should be given to how the new federal law's provisions for funding transparency, state intervention in low-performing schools, and new uses of funds for innovation and improvement might be leveraged in support of successful local district transformation strategies.

From local community activists to forward-thinking district officials, or allies at the state level, more leadership is needed to help portfolio implementation overcome the sticking points that prevent schools from making dramatic progress on student outcomes.

APPENDIX 1: The Seven Components of the Portfolio Strategy and Their Corresponding Elements

Data elements corresponding to each component of a portfolio strategy	
1. Good options and choices for all families	<ul style="list-style-type: none"> 1.1 School choice for all families 1.2 Equity and access to all schools for special education students and English language learners 1.3 Coordination of enrollment and school information for families across sectors 1.4 New schools opened based on family/student/neighborhood need 1.5 Schools replaced based on performance outcomes 1.6 Intentional development and opening of new schools
2. School autonomy	<ul style="list-style-type: none"> 2.1 All schools control staff selection and dismissal 2.2 All schools control budget 2.3 All schools control compensation 2.4 All schools control curriculum 2.5 Autonomies are defined through MOUs, performance contracts, or charters 2.6 Schools free to seek contractual waivers or exemptions from district or union contracts
3. Pupil-based funding for all schools	<ul style="list-style-type: none"> 3.1 District funds are allocated based on number of students and student type 3.2 High proportion of district funds being sent to and managed at the school level 3.3 Common prices set for facilities and central services across sectors 3.4 Plan in place to identify and address schools with low productivity (low achievement, low enrollment, or high costs)
4. Talent-seeking strategy	<ul style="list-style-type: none"> 4.1 Develop strong array of teacher candidates 4.2 Recruitment of new principals from proven pipelines 4.3 Recruitment of new teachers from proven pipelines 4.4 Intensive development of teachers and leaders, and district staff 4.5 Performance-based evaluation system in place to recognize or remove teachers and leaders 4.6 Innovative ways to increase the number of students taught by strong teachers and leaders
5. Sources of support for schools	<ul style="list-style-type: none"> 5.1 Schools free to choose support from an array of independent providers 5.2 Procurement policies enable schools to work with vendors, regardless of established district contracts 5.3 Strategies to engage independent providers (educational technologies, professional development, interim assessments)
6. Performance-based accountability for schools	<ul style="list-style-type: none"> 6.1 Schools have rich and timely information on student and school performance 6.2 Common school performance framework in place 6.3 Performance framework uses multiple measures: student performance, student progress, school climate, student engagement, equity and access, long-term student outcomes 6.4 Performance framework used as a significant factor in: school expansion, intervention, replacement/closure decisions 6.5 Publication of a school report card based on common performance framework
7. Extensive public engagement	<ul style="list-style-type: none"> 7.1 Solicit ideas, values, and concerns from families and communities about school and district decisions 7.2 Partnerships and coalitions with all key stakeholders 7.3 Communication plan to convey information about reform strategy (including strategic plan, implementation schedule, annual updates, and external progress review) 7.4 Plan for helping district and school staff understand and support the strategy 7.5 Empower principals to be lead communicators about school and district strategy 7.6 Public criteria and schedule for school closings and openings, clear and better options for families affected by closure

About the Authors

Robin Lake is the director of CRPE, and affiliate faculty, School of Interdisciplinary Arts and Sciences, at the University of Washington Bothell. She is internationally recognized for her research and analysis of U.S. public school system reforms, including charter schools and charter management organizations, innovation and scale, portfolio school districts, school turnaround efforts, and performance-based accountability systems.

Jordan Posamentier is deputy policy director at CRPE, where he develops K-12 public education policy and the portfolio strategy with cities across the nation. He previously worked as the director of legislative analysis at StudentsFirst, and as legislative counsel to the California Judges Association.

Patrick Denice is a postdoctoral research associate at Washington University in St. Louis, and an affiliate at CRPE. His research examines stratification in education and the labor market, with particular interests in public school choice policies and nontraditional pathways through postsecondary education. Dr. Denice's research can be found in the *American Sociological Review* and *Social Science Research*, as well as in a number of policy reports.

Paul T. Hill is a research professor at the University of Washington Bothell and the founder and former director of CRPE. His most recent book, with co-author Ashley Jochim, is *A Democratic Constitution for Public Education* (University of Chicago Press, 2014). Hill is a senior fellow at the Hoover Institution.