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Managing the Chicago Public Schools

Each child who fails is our failure. . . . We can't ever accept that, because of poverty or social issues or family issues, our kids can't learn. They can learn. They've proven it. The question is, Can we do a better job of teaching? Not just in a few schools, but in every school?

—Mayor Richard M. Daley

With these words, Mayor Richard M. Daley opened the Chicago Public Schools' (CPS) kick-off retreat for the new school year on August 19, 2005. The district's senior managers and every principal were in attendance. While Daley's remarks acknowledged the district's progress under Chief Executive Officer Arne Duncan's administration, they also reflected a sense of urgency about sustaining and accelerating these gains at scale.

For the past four years, Duncan and his leadership team had been grappling with the challenge of managing for high performance in "every school." Scale, however, was not the only challenge. The city's 617 schools represented different types of schools, achievement levels, and capacities to improve teaching and learning. Duncan, a former professional basketball player, noted: "There's no playbook for how to manage a complex district like CPS. We're trying to keep everyone's eye on the ball—producing better outcomes for every child."

Background

Serving over 426,000 students in 511 elementary and 106 high schools, CPS was the nation's third-largest school system in SY06.¹ The district employed 45,000 people and operated with a \$4.1 billion budget. While the student body was diverse, historic economic and ethnic divisions among the city's neighborhoods created schools that largely reflected their surrounding communities. Fully 85% of students came from low-income families. (See **Exhibits 1** and **2** for CPS facts and figures.)

CPS operated under a hybrid governance structure. The state legislature had turned the school system over to Daley in 1995. Daley appointed the district's seven-member board of education and

¹ SY is a PELP convention that denotes "school year." For example, SY06 refers to the 2005–06 school year.

Researcher Caroline King prepared this case under the supervision of Professors Richard F. Elmore and Allen S. Grossman. PELP cases are developed solely as the basis for class discussion. Cases are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management.

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chief executive officer, tapping Arne Duncan as CEO in 2001. Each school site had an elected local school council (LSC) consisting of staff, parents, and community members. LSCs hired, evaluated, and fired the principal and approved the budget and curricula. LSCs had been in place since 1988. The Chicago Teachers Union (CTU) represented the district's 27,000 teachers.

Duncan's Administration

Duncan was one of the longest-serving urban superintendents in the country. Dr. Barbara Eason-Watkins, a former principal credited with turning around one of the district's lowest-performing schools, served as chief education officer (CEdO). David Vitale, the former president and CEO of the Chicago Board of Trade, was chief administrative officer.

Reforms Duncan's administration focused on three core strategies: advancing literacy, strengthening human capital, and providing additional learning opportunities for students. The Chicago Reading Initiative required all elementary students to receive two hours of balanced literacy instruction per day. While schools continued to choose their own reading programs—85 different programs had previously been in use across the district—CPS encouraged struggling schools to adopt one of five “district-recommended” reading programs. The district also identified two high-quality math curricula for K–5 and two for grades 6–8, as well as district-recommended curricula in math and science for high schools. District trainings were limited to these programs.

More targeted recruiting efforts now produced 10 applicants for every open teaching position, and 42% of teachers hired in SY06 held master's degrees. CPS had created a new Office of Principal Preparation and Development and had tightened principal eligibility. LSCs now hired principals from a pool of district-approved candidates who had demonstrated instructional leadership competencies. After-school, summer school, and kindergarten options had also proliferated across the city.

Area structure Duncan and Eason-Watkins had reorganized the district from six 100-school regions to 24 geographic “areas,” which included 18 elementary (PK–8) and six high-school (9–12) areas. The number of schools in each area ranged from 18 to 44; areas with high schools and historically low-performing schools were smaller.

An area instructional officer (AIO) led each area. AIOs were charged with working with principals to improve instruction in schools and, along with LSCs, to evaluate principals. AIOs held one mandatory meeting for principals per month. As a group, AIOs met with Eason-Watkins and Chief Instructional Officer Domingo Trujillo during monthly “Area Coherence Meetings” to determine a citywide focus for the principals' meetings. Literacy, however, was a standing focus. Each AIO designed the format and activities for his or her principals' meetings, which ranged from two to six hours.

Each AIO was aided by a staff of three to six content coaches (e.g., literacy, mathematics), a school improvement planning coordinator, and a management support director. Coaches held area-wide trainings for teachers and worked directly in schools upon request by the AIO or principal. An AIO-led area team observed instruction in classrooms and monitored school improvement through quarterly school visits known as “walkthroughs.”

Student achievement Student performance had steadily increased under Duncan. Between 2001–2005, the percentage of elementary students meeting or exceeding state standards on the Illinois Standards Achievement Test (ISAT) increased by nine percentage points in reading and 11 points in math (see **Exhibit 3**). By 2005, nearly 50% of elementary students met or exceeded standards, and the

district's ISAT gains outpaced the state averages at every tested grade level. On the 11th-grade Prairie State Achievement Exam (PSAE)—which included reading, math, and science—31.4% of CPS students met or exceeded standards in 2005 compared with 27.2% in 2001. One-year high-school dropout rates steadily declined from 16.3% in 2001 to 10.2% in 2005.

Yet student performance levels and trends were highly variable across the district. Between 2003 and 2005, achievement on state tests rose in some areas, while it stayed flat or declined in others. Over 60% of students met or exceeded state standards in the two northernmost elementary areas in 2005; less than 40% of students met standards in seven other elementary areas.

The percentage of high-school students meeting or exceeding state standards by area ranged from 48.0% to 19.8%. Only 29 high schools had over 30% of students meeting PSAE standards. And only 12 high schools had 50% or more students earning an 18 or above on the ACT, the score needed to gain admissions to most four-year public colleges in Illinois.²

School Categories

The district's 617 public schools reflected diverse origins, characteristics, and management. Brief descriptions of major school categories follow.³ (See **Exhibit 4a** for a comparison; see **Exhibits 4b** and **4c** for performance data.)

Regular district schools (280) Regular district schools were required to have elected LSCs report to an AIO and to hire certified, unionized employees. Budgets were “position-based,” meaning that roughly 80% of a school's “general education funds” were allocated by the central office to positions based on staffing ratios (i.e., 28 students: 1 teacher and 1 engineer, per school). Principals controlled the remaining 20%, a discretionary budget of small line items for textbooks and other supplies. Total general education funds averaged \$5,200 per elementary pupil and \$6,500 per high-school pupil. Principals also controlled any state or federal compensatory funds (approximately \$1,200 per pupil) based on the number of low-income students enrolled.

Autonomous Management and Performance Schools, AMPS (79) District schools granted 10 “autonomies” by CPS in SY06 based on high academic and operational performance. CPS identified the AMPS schools using 13 academic, operational, and compliance indicators and the chief education office's recommendation (see **Exhibit 5**). The district offered AMPS status to 85 schools; 79 participated (69 elementary and 10 high schools). AMPS mostly represented the district's highest-performing schools, although three schools that did not meet the academic criteria were also granted AMPS status. Eason-Watkins explained, “We had recruited some strong principals to challenging schools and we wanted to use AMPS as an incentive for them to stay.” Of the 10 AMPS high schools, 6 were “selective enrollment” schools that used academic criteria to admit students.

CPS probation schools (226) “Probation” was the lowest school rating under the CPS accountability system. In probation schools, less than 40% of elementary students (or 30% in high schools) met state standards and performed at national norms on the Iowa Test of Basic Skills (ITBS),

² Melissa Roderick, Jenny Nagaoka, Elaine Allensworth, et al., *From High School to the Future*, Consortium on Chicago School Research, April 2006.

³ The number of schools in each category is for SY06 only. The total number of schools listed in this section exceeds 617 because a school could belong to more than one category. For example, Ames Elementary was on probation and in restructuring.

and the schools had failed to demonstrate “academic progress” as defined by the district (see **Exhibit 6**). The number of probation schools in an area ranged from 0 to 20.

NCLB restructuring schools (185) Schools designated as “restructuring” had failed to meet federal Adequate Yearly Progress targets in reading and math for five consecutive years. To comply with the *No Child Left Behind Act* (NCLB) of 2001, CPS would have to close or restructure the schools in SY07. One-hundred and thirty-seven of the restructuring schools were also on CPS probation.

Charter schools (35) Charter schools were managed and governed by independent organizations and were exempt from all CPS policies and initiatives. They received and controlled 100% of district dollars based on the number of students enrolled (“per pupil budgets”) and signed five-year performance contracts with the district. A 1996 state law permitted CPS to authorize up to 30 charters; 15 of the charters allowed multiple school sites. CPS had authorized 22 charters, and 35 sites were operating.

Performance schools (3) and contract schools (1 to open SY07) Performance schools were district-run and hired CTU teachers, while contract schools were run by nonprofits and were free to hire non-unionized employees. Both types of schools received per-pupil budgets, had more flexibilities than regular district schools, and signed five-year performance agreements with the district.

The district created the performance and contract school categories in 2004. That year, Daley announced Renaissance 2010 (“Ren10”), a campaign to replace the district’s lowest-performing schools with 100 new schools by 2010. Chief Officer for New Schools Hosanna Mahaley explained, “The Mayor wanted high-quality, innovative school options available in every part of the city and to offer more choice to parents. We were reaching our charter cap and the Mayor wanted to explore bold new options.”

School design teams submitted proposals to open Ren10 schools through an annual competitive RFP process which called for charter, performance, or contract school proposals only. As of SY06, the board had closed 27 schools for “chronically poor performance” and had approved 37 Ren10 schools. By 2010, an estimated 71,000 students, nearly 18% of CPS enrollment, were expected to attend Ren10 schools.

Reflecting on the diversity of public schools, Duncan said, “We’d be missing the boat if all we do is create great new schools. We’ve got to learn lessons that help us improve the whole district.”

A Strategy to Scale High Performance

Members of the CPS leadership team shared the mayor’s concern about increasing the performance of “every school.” To that end, they had been refining the district’s improvement strategy over the previous year. During the August 19, 2005 meeting, Eason-Watkins reaffirmed the district’s commitment to its three core strategies (improving literacy, human capital, and student learning opportunities) and presented a “theory of change” intended to guide the district’s work:

- Improved student learning requires improved instruction.
- Schools are the unit of change for instructional improvement, and principals are the leaders of that change.

- Area and central offices provide critical support for instructional improvement and differentiate that support based on school performance and need.

Eason-Watkins commented, “After four years of work, we still believed that improving instruction was the most powerful way to increase student achievement, but we wanted to clarify that there is no ‘one-size-fits-all’ model that works for 617 schools. Each principal must feel empowered to drive change and to receive the support that responds to the school’s specific needs.”

During SY06, the district took steps to enact its theory of change by setting clear expectations, providing effective and targeted support to schools, and making accountability more consistent.

Setting Clear Expectations

Five-Year District Student Outcome Goals

Based on focus groups with district leaders, school staff, students and their families, CPS established the “ultimate district goal” of “graduating all students prepared for success in post-secondary education and employment.” Eason-Watkins announced the goal at the August 19, 2005 meeting, calling it “ambitious.” Indeed, only 54% of CPS students even graduated from high school within five years. Historically, only six out of every 100 ninth graders earned a bachelor’s degree within six years of starting college.⁴

To measure progress toward attaining the ultimate goal, CPS established five-year student outcome goals for 2006–2010. For each outcome goal, the district established the current performance in 2005 and the 2010 goal. At the elementary level, for example, the district aimed to increase the percentage of third graders who met or exceeded state reading standards from 42% in 2005 to 70% by 2010. In the upper grades, the district wanted 80% of high-school freshman to be considered “on track to graduate” by 2010, a jump from 54% in 2005. (See the 2010 outcome goals in **Exhibit 7**.)

Chief Planning Officer Larry Stanton noted, “We set district- and school-level student outcome goals because we needed to define success for the district and for schools. Everyone, particularly principals, needs to know what’s expected of them so they can work toward achieving it. The goals were intended to be ambitious, but achievable.”

School Annual Performance Targets and the SIPAAA

Annual school targets In fall 2005, CPS set annual school performance targets for 2006–2010. The targets represented each school’s contribution to meeting the district’s 2010 outcome goals. Elementary schools received annual targets for the percentage of students expected to meet standards on the ISAT in grades 3, 6, and 8; and for schoolwide attendance. High schools received annual targets for the percentage of students expected to a). meet standards on the PSAE; b). be “on track to graduate”; c). graduate within five years; and d). complete high school as “college ready” (reflected in higher ACT scores).

The research, accountability, and evaluation department of CPS developed the annual targets based on a school’s prior performance. School targets for the ISAT and PSAE were set equal to the “Safe Harbor” requirements under NCLB. To make Safe Harbor, an additional 10% of students who

⁴ Consortium on Chicago School Research.

did not meet state standards the previous year (e.g., 2005) had to meet standards the following year (e.g., 2006). **Table 1** shows ISAT targets for three elementary schools.

Table 1 Percentage of Students Meeting/Exceeding ISAT Standards in Three Elementary Schools with Different Levels of Performance

School	2005 Current	2006 Target	2007 Target	2008 Target	2009 Target	2010 Target
Elementary A	25%	32%	39%	45%	51%	55%
Elementary B	47%	52%	57%	61%	65%	68%
Elementary C	85%	87%	88%	89%	90%	91%

Source: CPS.

Chief Accountability Officer Dan Bugler noted, “We figured out that the district could achieve its 2010 outcome goals if every teacher helped two additional students meet or exceed state standards each year. This helped make the school targets and district outcome goals actually seem attainable.”

For the other three high-school targets (the percentage of ninth graders on track to graduate, graduation rate, and college readiness), the district set school-level 2010 performance goals. The gap between a school’s performance in 2005 and its 2010 goal represented the school’s “performance gap.” The annual targets were set so that a school was expected to close 10% of its performance gap in 2006; 20% in both 2007 and 2008; and 25% in both 2009 and 2010.

The actual size of a school’s performance gap varied by current performance levels. Lower-performing schools had larger gaps to close by 2010. **Table 2** shows five-year graduation targets for three high schools.

Table 2 Percentage of Students Graduating in Five Years from Three High Schools with Different Levels of Performance

School	2005 Current	2006 Target	2007 Target	2008 Target	2009 Target	2010 Target
High School A	27%	30%	34%	38%	44%	49%
High School B	50%	52%	55%	58%	61%	65%
High School C	84%	85%	86%	86%	88%	89%

Source: CPS.

“The annual school targets will not be used for determining probation status but we’re still considering other ways to use the targets as a performance management tool,” explained Stanton. “We’ve gotten some push-back from schools on the targets because they do not track cohorts of students over time, which is a limitation of the current state testing system. The targets were developed to be aspirational, not to hold people’s feet to the fire.” CPS intended to refine the target-setting as “gains” data from the state test became available in future years.

School improvement plans CPS introduced a new school improvement planning process for 2006–2008. The Illinois State Board of Education had required school improvement plans since 1993,

and since 1998, had allowed CPS schools to use a uniform template entitled the “School Improvement Plan for Advancing Academic Achievement,” or SIPAAA. According to Stanton, “Many of the plans were 200-page documents that did not set specific performance expectations. They mostly sat on a shelf collecting dust.”

CPS streamlined the template for 2006–2008, which included annual school targets for the first time. In January 2006, every school in CPS, except charter schools, received a 20-page, 2006–2008 SIPAAA populated with its past performance and targets for SY07 and SY08. The SIPAAA outlined a process to help each school develop a plan to achieve its targets. Stanton explained, “We wanted to provide a structure to help schools design their own roadmaps for raising student achievement.”

Each school first articulated a mission and vision. School leadership teams and stakeholders then assessed their school’s strengths and weaknesses. In an “outcome analysis,” the SIPAAA team reviewed four data sets: student outcomes, academic progress, student connection, and school characteristics.

In a “process analysis,” schools used rubrics to self-evaluate five elements associated with school improvement referred to as the *Five Fundamentals of a Great School*. CPS had developed the *Five Fundamentals* by drawing upon research on reform efforts in Chicago, Boston, and other urban districts across the U.S. The Five Fundamentals comprised:

1. **Instruction:** The classroom activity that directly affects student learning. Includes the capacity of the teacher, the rigor of the content, and the engagement of students.
2. **Instructional leadership:** The school-level activity of principals and leadership teams, including scheduling, resource management, and curriculum planning.
3. **Professional capacity:** The school- or district-level activity that improves instructional practices in the classroom. Includes professional development, coaching, and mentoring.
4. **Learning climate:** The school-level activity that promotes a safe and orderly environment.
5. **Family and community involvement:** The school-level activity that encourages interdependence with the community. This relationship promotes the growth, commitment, and sharing of student-learning resources.

Finally, each school defined priorities, designed curriculum and instruction interventions, and created a budget. Schools submitted SIPAAAs by April 7, 2006. AIOs approved SIPAAAs for the schools under their management. One elementary AIO commented, “This year produced the tightest alignment between schools’ plans to improve student achievement and their allocation of resources that I’ve seen during my 20-plus years as an administrator with CPS.”

Performance Contracts for All New Schools

CPS required all new charter, performance, and contract schools to sign consistent five-year performance contracts beginning in SY06. Before SY06, each new school had negotiated its own performance agreement with the district, although some schools never had an official agreement. Mahaley commented, “For the first time, we are holding all new schools accountable for the same things—improved student achievement, sound financial and operational management, and regulatory compliance—using the same metrics.”

During the five-year contract period, the district conducted yearly performance reviews at new schools. At the end of the five years, the district could renew or terminate the contract. The district

could close a charter, performance, or contract school at any time for poor academic achievement or operational/fiscal mismanagement. The board had closed three charter schools between 1997–2006.

Eason-Watkins noted, “Over time, we hope to move more of our district schools to the performance contract model in order to facilitate a clear dialogue about expectations, accountability, and autonomy.” The district was considering asking AMPS principals to sign performance contracts; it also wanted to use performance contracts to attract high-potential principals into low-performing schools.

Providing Effective and Targeted Support

Citing a desire to “provide effective, targeted support to schools,” CPS implemented four initiatives during SY06: 1). differentiating treatment of schools; 2). clarifying the AIO role; 3). providing better student data; and 4). reorganizing the central office.

Differentiating Treatment of Schools

Duncan elaborated on the component of the district’s theory of change that called on area and central offices to differentiate support to schools based on performance and need:

Very simply, the approach is based on the reality that kids learn differently. You have to teach kids differently. And schools are no different. Schools are just one step larger than kids. Historically, though, we’ve had a communistic system. We treated all schools the same. And we treated too many, I argue, relatively poorly. You have to look at each child and each school individually and figure out what’s best for them.

CPS differentiated support to three types of schools based on performance in SY06: 1). AMPS; 2). CPS probation schools; and 3). NCLB restructuring schools. Each of these categories included elementary and high schools. Concurrently, the district designed high-school interventions that cut across all performance levels.

1) Autonomous management and performance schools (AMPS) In announcing AMPS, Duncan said, “We looked hard at all of the factors that go into creating a great school. These schools have obviously got it figured out and they have great principals. We have to build a culture of trust and give them the freedom to innovate. The best thing we can do is get out of their way.”

The district granted the 79 AMPS schools the ability to exercise 10 “autonomies,” such as opting out of the area structure or the district’s new teacher-induction program. The principal could select as many of the 10 autonomies as desired. (See **Exhibit 8** for a list of AMPS autonomies and the schools’ choices.)

Fifty percent of AMPS schools opted out of the area structure. Out-of-area AMPS schools lost all access to the area staff, coaches, and professional development. These principals did not have to attend area principals’ meetings, report to an AIO, or hold walkthroughs with the area team. AIOs no longer evaluated these principals; the district was in the process of identifying an alternate evaluator.

In-area AMPS schools still reported to and were evaluated by their AIO. These principals attended area principals’ meetings and, depending on the AIO, held area walkthroughs. They were able to request support from AIOs and area coaches and to send teachers to area trainings.

Two AMPS principals reflected on their decisions:

I relish autonomy, but I didn't want to jump out of the area this first year of AMPS. My AIO is very supportive and the professional development is valuable. As long as I can use the area supports to continue building the autonomy and capacity of my staff, I'll stay.

I left the area because the AIO was controlling. And everything offered by the area was "one-size-fits-all"—the principals' meetings, the professional development for teachers, the walkthroughs. If differentiated instruction is our goal for students, why not do it with us?

Concurrently, CPS eliminated one elementary area and one traditional high-school area in SY06. As a result, some AIOs took in additional schools and watched their caseload grow, particularly when AMPS schools elected to remain in the area. For example, an area in which 100% of AMPS schools stayed and merged with a closed area grew from 22 to 34 elementary schools from SY05 to SY06. The AIO said, "I think the AMPS schools stayed because they get good support from all area staff, especially my coaches. But I have to be careful because the strong schools would snatch up all of my coaches' time if we let them!"

An AIO in which 86% of the area's AMPS schools opted out of the area commented:

At first I was upset. It felt like we were rewarding the principals who had been the most resistant to anything from the central office or the area, because in terms of absolute test scores, they were at the high end of the district. But most of these schools had been making little to no gains; the schools' performance had flat-lined. Maybe the AMPS schools will work harder this year to increase achievement because they cannot blame anyone else for holding them back.

Melissa Megliola, a former private sector consultant, managed AMPS with assistance from retired CPS principal Anthony (Tony) Jelinek. Megliola described her role: "My first goal is to make sure AMPS schools are kept in the loop. We have to ensure that life does not feel worse for them. My second goal is to advocate for AMPS schools within the central office so that they can exploit their autonomies in new and creative ways."

One elementary principal reflected on AMPS midway through SY06:

The biggest difference under AMPS is that I don't have to hide anymore if I'm doing something "out-of-the-box" to better support my teachers and students. But some of the central offices still don't understand that as AMPS schools, we're allowed to do things differently. Fortunately, Melissa and Tony are there whenever we need someone to run interference.

All AMPS schools were given two years before their AMPS status would be reevaluated. Megliola explained, "We were asking schools to take new risks with us. We did not want anyone to fear being penalized if performance went down as a result." The criteria for admitting additional schools into AMPS were still being discussed, but Megliola imagined adding 5 to 15 schools per year.

The district intended to give AMPS schools more budgetary flexibility in SY07. Instead of receiving position allocations, AMPS schools would receive the dollars to cover the cost of an average district salary for each position previously budgeted to the school (known as "lump-sum budgeting"). The principal could then spend the dollars as he/she chose, as long as the school hired enough teachers to maintain class-size ratios as specified under the CTU contract.

2) CPS probation schools Probation schools were treated differently in two respects. First, under board policy, CPS could assign an interim principal to any probation school if the previous principal had been removed due to poor performance.

Second, AIOs were given control over the probation schools' discretionary budgets in SY05. That year, the central office paid for a lead literacy teacher (LLT) in every probation school, and every school (depending on the amount of discretionary funds available) was required to pay for a second LLT, as well as reduced class size in grades 1–3, full-day kindergarten, and district-recommended curricula for literacy and math at specific grade levels. In the summer of 2005, Stanton's team held focus groups with AIOs and principals. Participants said that "uniform school improvement requirements were not effective" and stressed the need for flexibility to adapt strategies to local school conditions.⁵

In response, the curriculum offices designed Instructional Support Options (ISOs). ISOs were "packages" of interventions that individual schools could choose from in developing their 2006–2008 school improvement plans. Acting Math and Science Curriculum Officer Mike Lach explained, "ISOs are a menu of curriculum and instructional supports, such as materials, positions, and professional development. A school can choose a 'fully loaded' package or select items a-la-carte style. The idea is to help principals and AIOs select which interventions best fit a school's needs."

One elementary AIO explained the shift: "The budget approval process for probation schools was more of a negotiation this year. I sat with each principal and we assessed what was working and what was not. I did not completely throw out the guidelines from last year because in many cases they were effective, but each school was able to adapt and adjust rather than follow a set of rules."

3) NCLB restructuring schools NCLB required districts to ensure that after a sixth year of missing Adequate Yearly Progress, a restructuring school enacted one of five plans:

- Reopen as a public charter school.
- Replace all or most of school staff who were relevant to the school's failure to make AYP.
- Contract a third party to operate the school.
- Turn the operation of the school over to the state.
- Implement any other major restructuring of the school's governance arrangement that makes fundamental reforms to improve academic achievement.

The Illinois State Board of Education ruled out state takeovers, and the district's charter cap limited that option. Given these constraints, CPS designed several options for its 185 restructuring schools.

Forty-four restructuring schools implemented one of the following "centrally directed initiatives":

- Close and reopen in the future under Ren10 (10 schools).
- Assign high-potential "turnaround" principals (2 schools).
- Share management responsibility with CTU for five years, with schools adopting comprehensive school reform models and piloting peer evaluation for teachers (8 schools).

⁵ *CPS Instructional Support Options for Elementary and High Schools*, 2006, p. 4.

- Partner with one of three external instructional improvement providers: America’s Choice, Strategic Learning Initiatives, or Learning Point Associates (24 schools).

In the other 141 restructuring schools, AIOs were asked to work with principals during the SIPAAA process to identify interventions that would enhance student achievement and satisfy the law’s requirements. AIOs were given responsibility for developing school-by-school plans that were then reviewed and approved by the CE&O. Plans had to be supported by data, both performance and qualitative data collected by the AIO through ongoing work in the schools. School plans called for staffing changes, new literacy programs, or changing the school’s grade configuration, among other interventions.

4) High schools Two major efforts to improve support to high schools were underway:

Area 25 for small high schools Between 2001 and 2003, the Bill and Melinda Gates Foundation and local Chicago foundations awarded CPS \$25 million to open 32 small high schools by 2007. Five low-performing high schools would be converted into 20 autonomous small high schools, and 12 new start-up small high schools would be created. An intermediary, the Chicago High School Redesign Initiative (CHSRI), formed to channel the funding and help manage the effort.

Twenty-four small high schools (23 regular, 1 charter) had opened by SY06. These small schools enrolled fewer than 500 students and typically formed around a theme, such as medicine or the arts. Small schools received start-up funding and an additional \$300 per pupil each year.

Also in SY06 CPS created a special area, Area 25, for the district’s small high schools. Before that, small high schools had been interspersed across the six different high-school areas. Cynthia Barron, a high-school AIO since 2002, moved to head up Area 25. She commented:

Small high-school principals are unique. They’re very entrepreneurial, but they have a wide range of instructional knowledge and leadership skills. They also face unique challenges as they are each building a new school vision, staff, and structures. Area 25 was created to meet these unique needs. We want to provide the best support we can to these schools so that they are successful and [so] the larger system can learn from their innovations.

High-school transformation In April 2006, CPS launched a \$75–\$100 million effort to strengthen high-school education, known as the “High-School Transformation” project. Some aspects applied to all high schools in the district (regular district, small, charter, probation, etc.), such as a new high-school scorecard. The scorecard reported school performance in four areas: student outcomes, academic progress, student connections, and school characteristics. In each area of measurement, schools also received a ranking against all other schools in the district. (See **Exhibit 9** for a sample scorecard.) There were separate rankings for selective enrollment versus non-selective high schools.

Commenting on the new scorecard, Chief Officer for High Schools Dr. Donald Pittman said:

We’re sending a clear message about what high-school principals should be focused on. For the first time, we’re recognizing the “value-add” of each school—student gains—in addition to absolute performance. And we’ve been able to identify some areas in which charter and other new schools are outperforming district schools. Too often in the past, we’ve launched new initiatives without a mechanism to evaluate [whether] they are any more effective than the old way of doing things.

Other aspects of the transformation project were designed with an opt-in implementation model. Over a three-year period, 50 of the district’s high schools would be chosen to adopt the project’s “instructional development systems.” For each core subject (English, math, and science), participating

schools would choose one of three “packages.” Each package provided a standards-based college preparatory curriculum, materials, and assessments; professional development and coaching for teachers; and implementation support for principals. Through a RFP process, the district had selected external vendors to help build the packages.

Any high school, except charters, could apply to participate. CPS reported that 40 high schools applied for the first implementation year, known as “Wave 1.” The district chose 14 schools based on leadership strength and teacher buy-in. These Wave 1 schools would begin implementing their selected packages in SY07, starting with 9th grade classrooms. The 14 schools ranged from high- to low-performing. Additional classrooms and new high schools would be added in SY08 and SY09.

Assistant Director for Planning and Development Angus Mairs explained, “We’re not going to force this on high schools that feel better off without the district’s support. We hope that over time, if these approaches are as effective as we designed them to be, more and more high schools will voluntarily adopt them.”

Clarifying the Area Instructional Officer’s Role

Originally, AIOs were expected to spend 60% of their time improving instruction and 40% resolving schools’ operational issues. Starting in SY06, AIOs were expected to spend 70% of their time working with principals to improve instructional leadership; 30% identifying, developing, and placing new principals; and 0% on school operations (see **Exhibit 10**). Six new business service centers (see p. 13) were being created to help pick up AIOs’ operations responsibilities. Chief Instructional Officer Trujillo explained the rationale behind the AIO role clarification:

We need AIOs to have the time to assist principals to obtain and align the resources that they say they need to be successful. Too often, AIOs find themselves taking on non-instructional issues because we at central office make too many demands of them. If the task is not an instructional one, we must find another mechanism for working with schools. And with 50% of our principals eligible to retire by 2010, we want and need AIOs to groom our next school leaders and advise LSCs on hiring.

An elementary AIO who had served in the position since its inception commented, “The clarification renewed my focus on instruction. I’m more likely to delegate non-instructional tasks or push back on the central office if they are asking me and my staff to spend time on something that would pull us away from our work in schools.” She continued, “But, there’s always challenges. Things always crop up—like parent concerns or an LSC that won’t meet to approve a budget item.”

The focus on the AIO role coincided with the first significant wave of AIO retirements. Eighteen AIOs had occupied their positions since the area structure was created. Five AIOs would retire in June 2006. An additional five were expected to retire at the end of SY07.

Remarking on the retirements, Janet Knupp, director of a Chicago-based venture philanthropy that made investments to strengthen CPS leadership, observed, “The retirements give the district an opportunity to find the people who fit the newly clarified expectations. A deeper issue remains, however. Is an AIO’s job doable? Is it really possible to effectively support more than 20 schools? If it’s an impossible task, the system may only be setting the AIOs up to fail.”

Providing Better Student Data

CPS took steps to strengthen the district's and schools' capacities to assess student performance over time in SY06. Previously, the district relied solely upon the Iowa Test of Basic Skills (ITBS) to measure individual student growth. However, the ITBS was not aligned with the Illinois state standards or the ISAT and PSAE state assessments. The district discontinued the ITBS in SY06.

Benchmark assessments CPS mandated two new commercial "benchmark" assessments in reading: the Dynamic Indicators of Basic Early Literacy Skills (DIBELS) and Learning First. DIBELS assessed first-graders' readiness to read and would be expanded to grades K–2 in probation schools. The Learning First assessment was administered three times per year (October, January, and May) in grades 3–8 and was aligned with the Illinois standards and the ISAT's format and content. The district provided each school with results by student, teacher, grade, and school within 10 days.

Eason-Watkins instituted new "Quarterly Progress Updates" with AIOs to track the results of district schools on the new benchmark assessments. She and Trujillo's team met with three to four neighboring AIOs at a time. AIOs discussed area performance trends and their efforts to help schools identify and target teachers' and students' weaknesses based on results. Commenting on the new meetings, one elementary AIO reflected, "These are problem-solving meetings. Barbara asks tough questions about how we are helping our principals use the data to design professional development for teachers or make curriculum changes based on the results."

All schools, except charters, had to administer DIBELS. In addition, all schools except charters and AMPS had to administer Learning First, although some charters and all 79 AMPS schools voluntarily signed up to use Learning First. Two areas piloted CPS math benchmark assessments, with districtwide adoption planned for SY07.

IMPACT The district piloted a comprehensive Web-based technology solution, the Instructional Management Program and Communications Tool (IMPACT), in SY06. IMPACT was designed to replace the district's 30-plus year-old Legacy student information system; eliminate many paper-based, manual transactions; and provide a one-stop online curriculum and instruction planning resource for schools. IMPACT would allow the district to track the performance of individual or cohorts of students from year to year for the first time. Districtwide implementation of IMPACT would occur throughout SY07.

Reorganizing the Central Office

We're going to flip the pyramid in CPS this year. When I say flip the pyramid, I'm saying that the job of the central office is to support the schools, not manage them. Principals run schools and we're here to make their job easier and help them succeed in the only place that matters—in the classroom.

— Arne Duncan, August 19, 2005

Business service centers In the fall of 2005, CPS piloted the first of three business service centers (BSCs). Each BSC would serve roughly 200 schools by providing training, monitoring, and support in budgeting, internal accounts, purchasing and contracts, facilities, security, and limited human resources support. Chief Administrative Officer Vitale commented, "I wanted a team out there that felt like they owned and were accountable for a set of schools. This cross-functional team provides one point of contact for schools—no more having to navigate the central office—and will know each school's needs."

Central-office reorganization CPS unveiled a comprehensive reorganization in June 2006. Central-office departments would be oriented to serve five “school customers”: early childhood, elementary schools, high schools, AMPS schools, and new/charter schools. Vitale explained the rationale for the reorganization. “It’s simple. We wanted the organizational structure—and the way people work—to reflect our beliefs that schools are the unit of change and everyone else serves the schools. Identifying five types of schools reinforces our message that schools are unique and we cannot treat them like ‘one-size-fits-all.’”

In fact, the reorganization worked Vitale out of a job by eliminating the chief administrative officer position. Vitale would phase out by the end of 2006. As a result, all departments would report to either Duncan or Eason-Watkins. The central office streamlining would save the district \$25 million in administrative costs.

Creating Consistent Accountability Mechanisms

Consistent Performance Measures for All Schools

School scorecards The high-school scorecard represented the district’s first attempt to rank all schools in Chicago on the same measures (see **Exhibit 9**). The scorecard was also the first CPS tool for sharing academic and non-academic school performance data with the public. “Parents really drove the design of the new high-school scorecard. It was such a user-friendly tool for promoting transparency around performance that we decided to create one for elementary schools, too,” explained Duncan. The district intended to unveil the elementary scorecard in SY07.

Accountability system to probation policy More broadly, the district revamped its accountability system. Under the accountability system enacted in SY03, any non-charter district school open for more than three years received one of six labels—distinction, excellence, merit, opportunity, challenge, or probation—based on student performance (see **Exhibit 6**). The distribution of school ratings varied widely across the areas. Absolute performance and gains on the Illinois state tests (ISAT and PSAE) and the Iowa Test of Basic Skills (discontinued in SY06) largely determined a school’s performance rating. Chief Accountability Officer Dan Bugler described the system:

Absolute performance far outweighed gains. We had almost created a permanent underclass of schools that could never get out of probation even if they had been making impressive gains every year, but hadn’t yet gotten above 40% of students meeting standards. And once a school had over 50% of students meeting standards, the labels became irrelevant—nothing really different happened if you were a school of merit, excellence, or distinction.

In March 2006, the Board of Education replaced the six-tiered accountability system with a new probation policy. All schools, except charters and Ren10 schools, would earn one of two ratings—probation or non-probation—based on performance and growth on four measures:

Elementary Schools	High Schools
> 40% meet ISAT reading standards	> 30% meet PSAE (composite score)
> 40% meet ISAT math standards	> 60% five-year graduation rate
> 40% meet ISAT science standards	> 35% of students make “gains” on college-ready tests
Student absentee rate < 15 days	Student absentee rate < 15 days

For each indicator, a school earned one point for absolute performance and one point for growth, resulting in a score between 0–8. Schools earning a 0–3 were automatically placed on probation; schools earning 6–8 received a non-probation rating. Schools obtaining a score of 4 or 5 received an initial probation rating, but were subject to an automatic review by the AIO.

Commenting on the new probation policy, Bugler said, “We wanted a consistent way to measure performance of all schools on a broader array of metrics than just test scores. We also wanted to incent progress for schools at all levels and to let AIOs ‘make the call’ more often as to whether a school really belonged on probation.” Of the 226 schools currently on probation, only 150 would have automatically have been placed on probation under the new policy.⁶

Mahaley explained the exemption of charter and Ren10 schools from the new probation policy. “Their five-year performance agreements are rigorous and already provide opportunities for the district to address concerns if necessary, so we did not see the need to add an extra layer,” she said.

Performance Evaluation

CPS was in the process of designing several new tools to strengthen performance evaluation at the end of SY06. These included:

- Central-office department evaluations based on annual department performance targets and principals’ evaluations of support and service.
- AIO evaluations and bonuses based on area school progress.
- A new principal evaluation tool that included progress toward annual school performance targets as one of the evaluation criteria.

The Challenge Ahead: Putting the Pieces Together

As the school year came to a close in June 2006, Duncan and his leadership team reflected on their efforts to improve student performance. While the district’s strategy was clear in their minds, they wondered how well people throughout the system’s 617 schools and numerous central office departments understood the strategy. Did most people in CPS see a thread of coherence weaving together the various initiatives underway, or did they see a rush of random activities? The team acknowledged that unless it was able to effectively communicate and manage in a way that put all of the pieces together for everyone in CPS, the district would have a difficult time achieving its 2010 outcome goals.

⁶ Elizabeth Duffrin, “New probation policy lets more schools off the hook,” *Catalyst Chicago*, April 2006.

Exhibit 1 CPS Facts and Figures

CPS Overview

District Area Demographics (Census 2000)

Total population	2,896,016
Per capita income	\$20,175
Households below poverty level	17.4%

Student Demographics

Number of students (PK–12)	426,812
African-American	49.8%
Latino	38.0%
White	8.8%
Asian/Pacific Islander	3.2%
Native American	0.2%
Low-income	85.2%
Limited English proficiency students	14.1%
Special education students	13.0%
Graduation rate	70.7%
One-year high-school dropout rate	10.2%
Mobility rate	24.0%

Schools and Staff (Largest district in IL)

Number of schools (including charters)	617
Elementary (PK–8 in various configurations)	511
High school (9–12)	106
Total staff	45,792
Teachers	26,719
Average teacher salary	\$62,985
Teacher turnover	10.3%
Pupil/teacher ratios	
Elementary	22.7:1
High school	19.6:1

Sources: Census data available at <http://nces.ed.gov/surveys/sdds/singledemoprofile.asp?county1=1709930&state1=17>, accessed May 1, 2006. District data from CPS files.

Exhibit 2 CPS Financial Statements, FY02–FY06

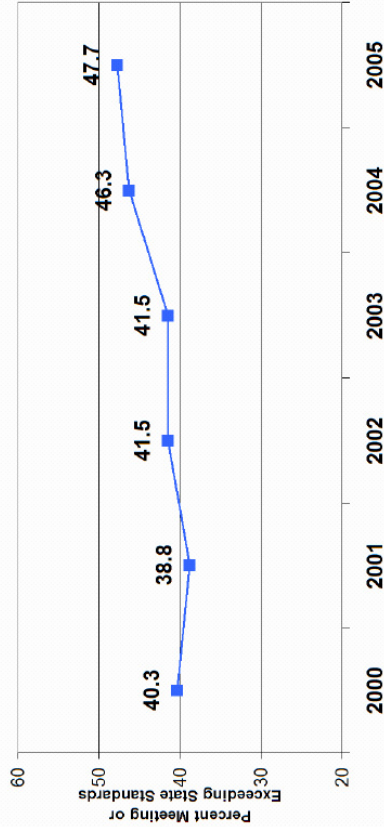
	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006 (estimated)
REVENUES					
Property taxes	\$1,479,968	\$1,546,335	\$1,571,065	\$1,639,237	\$1,678,328
Replacement taxes	\$114,313	\$105,960	\$120,427	\$145,724	\$145,724
State aid	\$1,467,914	\$1,469,567	\$1,481,448	\$1,507,115	\$1,618,678
Federal aid	\$554,750	\$608,693	\$730,504	\$762,955	\$827,669
Interest and investment income	\$68,050	\$49,131	\$39,501	\$43,215	\$38,034
Other	\$89,505	\$94,345	\$149,253	\$102,654	\$123,752
Total Revenues	\$3,774,500	\$3,874,061	\$4,092,198	\$4,200,900	\$4,432,185
EXPENDITURES					
Current:					
Instruction	\$2,152,958	\$2,214,781	\$2,355,114	\$2,429,014	\$2,497,185
Pupil support services	\$311,628	\$320,380	\$327,653	\$323,225	\$336,504
Administration support services	\$148,297	\$163,185	\$168,563	\$151,529	\$163,528
Facilities support services	\$302,007	\$304,300	\$291,900	\$316,195	\$389,533
Instructional support services	\$299,807	\$296,517	\$310,166	\$353,859	\$431,265
Food services	\$160,063	\$170,238	\$180,588	\$173,872	\$185,175
Community services	\$47,523	\$47,253	\$49,933	\$42,325	\$47,144
Teacher's pension/retirement	\$65,045	\$65,045	\$65,045	\$65,045	\$74,922
Capital outlay	\$381,038	\$443,873	\$365,336	\$389,450	\$361,881
Debt service	\$219,894	\$255,239	\$259,590	\$315,809	\$234,977
Other	\$5,138	\$12,322	\$8,128	\$5,912	\$5,000
Total Expenditures	\$4,093,398	\$4,293,133	\$4,382,016	\$4,566,235	\$4,727,114
REVENUES IN EXCESS OF/(LESS THAN) EXPENDITURES	(\$318,898)	(\$419,072)	(\$289,818)	(\$365,335)	(\$294,929)
OTHER FINANCING SOURCES(USES)					
Gross amounts from debt issuances	\$232,693	\$308,635	\$765,995	\$524,260	\$325,000
Proceeds from notes	\$0	\$0	\$0	\$5,500	\$0
Premiums	(\$9)	\$8,803	\$21,043	\$43,450	\$0
Payment to refunded bond escrow agent	\$0	\$0	(\$534,375)	(\$282,478)	\$0
Transfers in/(out)	\$0	\$0	\$0	\$0	\$0
Total other financing sources	\$232,684	\$317,438	\$252,663	\$290,732	\$325,000
NET CHANGE IN FUND BALANCE	(\$86,214)	(\$101,634)	(\$37,155)	(\$74,603)	\$30,071
Fund Balances, beginning of period	\$1,345,272	\$1,259,058	\$1,157,424	\$1,120,269	\$1,045,666
Fund Balances, end of period	\$1,259,058	\$1,157,424	\$1,120,269	\$1,045,666	\$1,075,737
COMPOSITION OF FUND BALANCE					
Reserved for Debt Service	\$459,524	\$437,711	\$385,015	\$294,700	\$285,100
Reserved for Capital Projects	\$434,400	\$390,757	\$427,748	\$359,973	\$354,792
Reserved for Other Purposes	\$155,251	\$120,597	\$110,996	\$142,447	\$142,447
Unreserved	\$209,883	\$208,359	\$196,510	\$248,546	\$293,398
Total	\$1,259,058	\$1,157,424	\$1,120,269	\$1,045,666	\$1,075,737

Source: CPS Comprehensive Annual Financial Reports 2002–2005. Includes general operating, capital projects, and debt service funds.

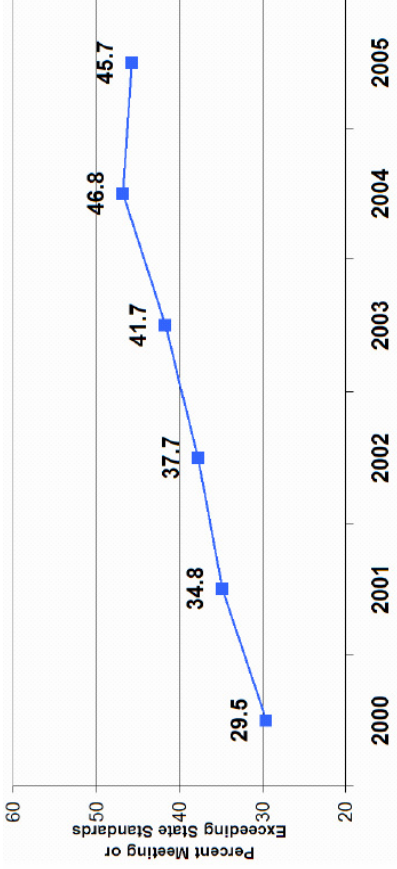
Exhibit 3 Elementary Student Achievement Data

Percentage of Students Meeting or Exceeding Standards on the Illinois Standards Achievement Test (grades 3–8, all tests) 2000–2005

Reading Performance



Math Performance



ISAT Performance: CPS vs. Illinois Averages 2001–2005 (% of students meeting or exceeding state standards)

		Chicago Public Schools					2005 to 2001 Change	
Subject	Grade	2001	2002	2003	2004	2005		
Reading	3rd	36.0	35.0	35.8	41.3	42.1	6.1	4.6
	5th	34.0	37.0	38.8	42.7	43.4	9.4	3.8
	8th	48.0	55.0	50.5	54.6	59.4	11.4	6.7
Math	3rd	47.0	46.0	48.7	55.7	55.2	8.2	5.2
	5th	32.0	36.0	44.0	50.9	49.6	17.6	12.1
	8th	25.0	31.0	30.7	33.2	32.3	7.3	4.3
Science	4th	37.0	39.0	39.5	40.5	43.3	6.3	6.4
	7th	51.0	53.0	56.2	56.0	54.4	3.4	2.6

		Illinois					2005 to 2001 Change	
Subject	Grade	2001	2002	2003	2004	2005		
Reading	3rd	62.0	63.0	62.0	65.0	66.6	4.6	4.6
	5th	59.0	59.0	60.4	60.9	62.8	3.8	3.8
	8th	66.0	68.0	63.7	67.1	72.7	6.7	6.7
Math	3rd	74.0	74.0	75.7	79.2	79.2	5.2	5.2
	5th	61.0	63.0	68.3	71.8	73.1	12.1	12.1
	8th	50.0	52.0	53.1	54.4	54.3	4.3	4.3
Science	4th	65.0	67.0	66.5	67.8	71.4	6.4	6.4
	7th	72.0	73.0	73.7	74.4	74.6	2.6	2.6

Source: CPS files.

Exhibit 4a School Categories in Chicago, SY06

	Regular District	AMPS	CPS Probation	NCLB Restructuring	Charter	Performance	Contract
Number^a	280	79	226	185	35	3	1 (SY07)
Authorizer	CPS	CPS 2005	CPS 2003	Federal law (NCLB) 2001	State law 1996	Mayor's Ren10 2004	Mayor's Ren10 2004
Operator	CPS	CPS	CPS	CPS or third party	Nonprofit	CPS	Nonprofit
Governance	LSC	LSC	LSC	LSC	Charter board	Board or LSC	Board or LSC
Student Assignment	Neighborhood unless selective	Neighborhood unless selective	Neighborhood unless selective	Neighborhood unless selective	Lottery	Lottery	Lottery
NCLB and IL Accountability	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CPS Probation Policy	Yes	Yes	Yes	Yes	No	No	No
5-yr CPS Performance Plan and Annual Review	No	No	No	No	Yes	Yes	Yes
CPS Scorecard	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CPS Annual Targets	Yes	Yes	Yes	Yes	No	Yes	Yes
CPS SIPAAA^b	Yes	Yes	Yes	Yes	No	Yes	Yes
Report to AIO	Yes	Choice	Yes	Yes	No	Choice	Choice
Principal Eligibility	State Type 75, CPS Pool	State Type 75, CPS Pool	State Type 75, CPS Pool	State Type 75, CPS Pool	State Type 75	State Type 75, CPS Pool	State Type 75
Principal Hired by	LSC	LSC	LSC unless removed by CPS	LSC	Governing board	Governing board	Governing board

	Regular District	AMPS	CPS Probation	NCLB Restructuring	Charter	Performance	Contract
Principal Evaluator	LSC, AIO	LSC, AIO if in-area	LSC, AIO	LSC, AIO	Governing board	Governing board	Governing board
CPS Curriculum Mandates Followed	Yes	Choice	Yes	Yes	No	Choice	Choice
CPS Benchmark Tests: Learning 1st, DIBELS	Yes	Yes	Yes	Yes	No	Yes	Yes
School Funding	Position-based	Position-based	Position-based	Position-based	Per-pupil	Per-pupil	Per-pupil
		Lump-sum in SY07 ^c	AIO controlled discretionary funds				
CPS School Calendar and Hours	Yes	Choice	Yes	Yes	No	Choice	Choice
Teacher Certification Required	100%	100%	100%	100%	75% in schools established before 2003; 50% after	100%	100%
Teachers' Employer	CPS	CPS	CPS	CPS	Governing board	CPS	Governing board
CTU Teachers	Yes	Yes	Yes	Yes	No	Yes	Choice
CPS Salary Scale Required	Yes	Yes	Yes	Yes	No	Yes	No

Source: Casewriter analysis based on case interviews and CPS files.

^a The number of schools in each category is for SY06 only. The total number of schools in this row will exceed 617 because a school could be in more than one category. For example, Marconi Community Academy was on CPS probation and slated for restructuring under NCLB.

^b SIPAAA stands for School Improvement Plan for Advancing Academic Achievement. (SIPAAA is described on page 7.)

^c "Lump-sum" budgeting is described on page 9.

Exhibit 4b Performance Data by School Category: Elementary Schools

School Type	Total Enrollment		Attendance Rate		ISAT Reading % Meet/Exceed Standards			ISAT Math % Meet/Exceed Standards		
	2005		2005		2003	2004	2005	2003	2004	2005
	2005	2005	2005	2005						
All Elementary Schools	1906	98.5	100.0	100.1	100.0	100.0	100.0	100.0	100.0	100.0
High	602	94.2	38.7	44.6	46.6	46.6	39.4	47.3	46.7	46.7
Median	91	85.5	0.0	11.5	13.0	13.0	0.0	11.5	8.2	8.2
Low										
Regular District Schools	1896	98.5	100.0	100.1	100.0	100.0	100.0	100.0	100.0	100.0
High	595	95.2	51.1	55.0	57.3	57.3	55.4	59.7	58.3	58.3
Median	120	88.7	0.0	11.5	18.3	18.3	0.0	11.5	16.5	16.5
Low										
AMPS	1796	97.7	96.9	100.0	97.8	97.8	99.0	100.0	100.0	100.0
High	589	95.8	62.5	65.6	64.4	64.4	62.0	67.9	69.7	69.7
Median	186	93.7	26.8	35.4	42.1	42.1	30.1	43.3	44.2	44.2
Low										
CPS Probation	1822	96.4	51.7	50.0	53.7	53.7	51.3	81.5	63.6	63.6
High	613	92.1	29.3	32.4	32.7	32.7	28.8	29.7	28.3	28.3
Median	91	88.6	6.9	15.6	13.0	13.0	7.5	12.6	8.2	8.2
Low										
NCLB Restructuring	1906	96.2	57.4	60.4	68.1	68.1	55.2	81.5	57.1	57.1
High	598	92.2	28.2	32.2	33.2	33.2	28.0	29.8	28.6	28.6
Median	91	85.5	6.9	15.6	13.0	13.0	7.5	12.6	9.4	9.4
Low										
Charter	n/a	n/a	59.7	66.7	81.0	81.0	62.0	68.2	93.3	93.3
High	n/a	n/a	51.5	49.3	64.7	64.7	48.1	63.3	69.3	69.3
Median	n/a	n/a	33.3	36.3	40.4	40.4	36.2	22.2	29.2	29.2
Low										

Source: Casewriter analysis based on CPS files.

Notes: "All Elementary Schools" includes charter schools and other schools not eligible for probation, such as new and special education schools. Therefore, values may be lower than "probation" and different from any district reported data that excludes these schools. Some schools may be in more than one category (e.g., Marconi Community Academy was on CPS probation and slated for NCLB restructuring). Data not available for performance and contract schools.

Exhibit 4c Performance Data by School Category: High Schools

School Type	Total Enrollment		Attendance Rate		% Freshmen On Track to Graduate		5-year Graduation Rate		1-year Dropout Rate		PSAE Reading % Meet/Exceed Standards			PSAE Math % Meet/Exceed Standards						
	2005		2005		2005		2005		2005		2003			2004			2005			
All High Schools																				
High	4214		97.8		100.0		94.1		31.3		99.1	98.0	99.0	98.1	99.5	98.5				
Median	1088		86.5		57.4		54.8		8.0		23.8	24.1	28.7	13.5	14.9	10.0				
Low	66		68.6		2.9		4.8		0.0		6.5	4.1	10.8	0.0	1.8	0.0				
Regular District Schools																				
High	2152		97.8		100.0		75.2		31.3		58.1	77.5	70.8	50.5	64.7	64.3				
Median	606		85.4		58.8		59.1		7.5		34.1	29.1	31.0	24.3	24.2	8.1				
Low	66		68.6		2.9		4.8		0.0		6.5	4.1	10.8	0.0	3.1	1.3				
AMPS																				
High	4214		96.6		97.4		94.1		8.0		99.1	98.0	99.0	98.1	99.5	98.5				
Median	859		93.3		83.9		80.6		2.8		76.1	82.7	84.0	67.6	71.8	66.4				
Low	513		89.8		65.6		61.3		0.4		37.0	39.0	46.7	26.0	24.0	21.5				
CPS Probation																				
High	2735		91.2		77.5		71.0		22.8		40.2	37.5	48.3	33.6	32.9	29.6				
Median	1375		85.2		51.1		50.9		11.6		18.2	18.8	23.9	8.8	9.7	7.9				
Low	306		72.0		34.1		27.4		0.2		7.3	9.7	12.2	1.1	1.8	0.0				
NCLB Restructuring																				
High	2523		90.3		66.0		56.9		20.5		23.7	20.6	25.0	12.9	19.7	16.4				
Median	1079		83.5		47.4		48.2		12.7		14.0	15.1	20.0	6.6	7.8	5.5				
Low	514		72.0		34.1		27.4		7.4		8.8	9.7	15.2	1.1	1.8	0.5				
Charter																				
High	473		95.3	n/a			78.6		6.1		41.6	56.1	53.9	26.3	37.4	51.0				
Median	328		94.6	n/a			76.1		3.8		23.8	24.1	30.4	14.3	14.9	10.0				
Low	155		90.8	n/a			48.9		1.4		11.5	16.1	22.4	1.3	6.5	6.1				

Source: Casewriter analysis based on CPS files.

Notes: "All High Schools" includes charter schools and other schools not eligible for probation, such as new and special education schools. Therefore, values may be lower than "probation" and different from any district reported data that excludes these schools. Some schools may be in more than one category (e.g., Crane Technical High was on CPS probation and slated for NCLB restructuring). Six of the 10 AMPS high schools used academic admissions criteria ("selective-enrollment"). Data not available for performance and contract schools.

Exhibit 5 AMPS Criteria

**Autonomous Management and Performance Schools (AMPS)
2005–06 Year Eligibility Overview**

Elementary Eligibility: Schools that have met most of the eligibility factors and have been recommended by the Chief Education Office are invited to participate in this program.

INDICATOR	TIME PERIOD	RATIONALE
Student Performance Indicators		
1. Made AYP	2004 rating for 2004–05 school year	Schools making AYP are not subject to federal sanctions.
2. Not in NCLB school improvement	2004 rating for 2004–05 school year	Schools not in NCLB School Improvement are not subject to federal sanctions.
3. Schools of excellence, distinction, merit, and opportunity (see Exhibit 6 in this case)	2004 rating for 2004–05 school year	Schools have high or improving student performance indicators and are not subject to CPS Probation sanctions.
Asset Management Indicators		
4. At least 97% of teachers are highly qualified by NCLB standards	Fall 2004 EQS audit	Shows schools with fully certified teachers who are teaching in their fields.
5. “Excellent” or “adequate” custodial report	FY2004 and FY2003	Shows school has consistent record of maintaining clean, orderly buildings and grounds.
6. Above average internal accounts ratings or no rating	Most recent data available	A rating of financial management.
7. No major control violations	FY2004 and FY2005	A rating of financial management.
8. Enrollment audit variance less than or equal to 10 students compared to enrollment reported on student information system	Fall 2004 Enrollment Audits	Indicator of school records management.
9. Elementary daily attendance >= 95%	2003–04 school year	Indicates school does not need to spend extensive amount of time tracking student absences.
10. Residing not attending <50% or utilization > 80%	2003–04 school year	Shows schools where children are choosing to attend or attending outside of their neighborhoods because the schools are at or above capacity.
INDICATOR	TIME PERIOD	RATIONALE
Special Education Indicators		
11. 90% of students immunized	2004–05 school year	Standard set by State of Illinois.
12. % LRE 3 <=30% or % LRE 3<= low incidence	2004–05 school year	Indicates school does not assign excessive number of students to self-contained special education classrooms.
13. No major violation or citations from IL State Board of Education		

CEdO Recommendation

Rationale: Data and indicators cannot capture all aspects of school climate and success. Representatives from the Chief Education Office work with schools on a daily basis and have greater insight into schools than what can be derived from the data points alone.

AMPS High-School Eligibility

The same as above except:

- **Asset Management**
 - For Highly Qualified percent, using high-school average
 - 28-student variation for Enrollment Audit
- **School Climate**
 - Includes: Truancy \leq high-school average
 - Includes: Dropout rate \leq high-school average
 - Removes: Residing Not Attending as an indicator

Source: CPS files.

Exhibit 6 CPS Accountability System, 2003–March 2006

Accountability Ratings for Elementary Schools Based on Level of Achievement and Progress Level			
Overall level of achievement on the ITBS or ISAT:	Progress Level		
	Does Not Meet	Meets	Exceeds
Level I: Above 70% or more**	Schools of Excellence		Schools of Distinction
Level II: 50% - 69.9% **	Schools of Merit		
Level III: 40% - 49.9% **	Schools of Opportunity		
Overall level of achievement on the ITBS and ISAT:	Less than 10 point Improvement		10 point Improvement
Level IV: Both Below 40%	Schools on Probation		Schools of Challenge

****Does not apply for schools already on probation in 2003/2004 school year**

Legend	
<p>School of Excellence: A school in which 70 percent or more of its students score at or above the ITBS national norms in reading or meet or exceed the state standards on the ISAT composite (Achievement Level I school) and has either a meets or a does not meet progress rating based on its progress on four measures.</p>	<p>School of Distinction: A school that has at least 50 percent or more of its students scoring at or above the ITBS national norms in reading or meet or exceed standards on the ISAT composite and has earned an exceeds progress rating based on its progress on four measures</p>
<p>School of Merit: A school in which between 50 and less than 70 percent of its students score at or above the ITBS national norms in reading or meet or exceed the state standards on the ISAT composite (Achievement Level II school) and has either a meets or a does not meet progress rating based on its progress on four measures.</p>	
<p>School of Opportunity: A school in which between 40 and less than 50 percent of its students score at or above the ITBS national norms in reading or meet or exceed the state standards on the ISAT composite.</p>	
<p>School of Challenge: A school that has a Level IV Achievement Level, but has made academic progress by: a. Increasing the percent of students scoring at or above the national norm on the ITBS reading by a total of at least 10 percentage points over the last two years with positive improvement in each year, or b. Increasing the percent of students meeting or exceeding state standards on the ISAT composite by a total of at least 10 percentage points over the last two years with positive improvement in each year, or c. Increasing in any combination the percent of students scoring at or above the national norm on the ITBS reading and the percent of students meeting or exceeding state standards on the ISAT composite by a total of 10 percentage points in the last year with positive improvement on each test.</p>	
<p>School on Probation: A school that has a Level IV Achievement Level and has not made academic progress as defined under Schools of Challenge.</p>	


Source: CPS files.

Note: CPS used the same accountability ratings for high schools. The cut-points for student performance on the Prairie State Achievement Exam (PSAE) were: Level 1, Above 60%; Level II, 40%–59.9%; Level III, 30%–39.9%; and Level IV, Below 30%.

Exhibit 7 CPS 2010 Outcome Goals

ULTIMATE SYSTEM GOAL

Graduate all students prepared for success in postsecondary education and employment.



- By 2010, 70% of students graduate (current: 54%)
- By 2010, 64% graduates will enroll full- or part-time in college (current: 47%)

5-YEAR STUDENT OUTCOME GOALS (2010)

- 70% of students enter 1st grade ready to read (current: N/A)
- 70% of 3rd graders meet or exceed state reading standards (current: 42%)
- 70% of 6th and 8th graders meet or exceed state reading standards (current 5th: 41% (current 8th: 60%)
- 70% of 6th and 8th graders meet or exceed state math standards (current 5th: 50% (current 8th: 33%)
- 80% of 9th graders on-track to graduate (current: 54%)
- 50% of 11th graders meet or exceed composite state standards (current: 37%)
- 33% of students scoring at/above 20 on the ACT (current: 18%)

These goals track progress toward the ultimate system goal. % meet/exceed is based on DIBELS/IDEL, ISAT, PSAE, IMAGE, and IAA performance.

SCHOOL-SPECIFIC TARGETS

Elementary Schools:

- % of 3rd graders meet or exceed state reading standards
- % of 6th and 8th graders meet or exceed state reading standards
- % of 6th and 8th graders meet or exceed state math standards

High Schools:

- % of 9th graders on-track to graduate
- % of 11th graders meet/exceed state Reading/Math standards
- % of students scoring at/above 20 on the ACT
- % of students graduate

Schools receive targets, which are differentiated by performance level and align with NCLB (where applicable). Targets in bold have been distributed to schools. Other targets will be distributed in January. Schools also receive outcome data for analysis.

Source: CPS files.

Exhibit 8 AMPS Autonomies and School Selections by Area





Area	No. of AMPS Schools	Restructured Day	New Teacher Induction	Curriculum	Autonomous School (out of area)	After School	Self-directed	Budget Transfers	Attendance Plan	School Calendar	SIPAAA
1	12	8%	83%	83%	33%	75%	50%	92%	92%	17%	83%
2	7	63%	38%	50%	63%	63%	63%	75%	75%	50%	88%
4	1	100%	0%	0%	0%	100%	0%	100%	0%	0%	100%
5	1	0%	0%	100%	0%	100%	100%	100%	100%	100%	100%
6	7	100%	57%	100%	0%	100%	57%	57%	86%	57%	100%
9	3	100%	67%	100%	33%	67%	100%	100%	100%	67%	100%
10	5	100%	20%	100%	100%	80%	100%	100%	100%	100%	100%
11	7	86%	100%	86%	86%	100%	43%	100%	100%	86%	86%
12	4	100%	100%	100%	100%	75%	50%	100%	100%	75%	100%
13	1	0%	0%	0%	0%	0%	100%	100%	0%	0%	0%
15	5	20%	60%	60%	0%	80%	40%	80%	60%	20%	100%
16	6	50%	50%	17%	50%	50%	50%	67%	67%	50%	67%
17	5	0%	20%	40%	100%	0%	0%	80%	0%	0%	0%
18	5	20%	60%	0%	0%	80%	80%	80%	80%	0%	0%
19	2	100%	100%	100%	100%	100%	50%	100%	100%	100%	100%
20	2	100%	50%	100%	100%	100%	100%	100%	100%	100%	100%
21	2	100%	50%	100%	100%	100%	100%	100%	100%	100%	100%
22	2	100%	50%	100%	0%	100%	50%	50%	100%	100%	100%
24	2	50%	50%	100%	0%	0%	100%	100%	100%	50%	100%
Total	79	59%	60%	72%	50%	74%	60%	87%	82%	51%	81%

- Restructured day:** Choose own dates for quarterly professional development days. Other district schools had to follow a set schedule of half-days, known as "restructured days."
- New teacher induction:** Opt out of district's program, receive \$800 per new teacher, and design own program.
- Curriculum:** Opt out of districtwide curriculum initiatives (e.g., Reading 3-D progress monitoring tool for 1st grade).
- Autonomous school:** Opt out of the area (walkthroughs, principal meetings, access to area coaches).
- After school:** More flexibility in the hours, course content, and budget allocation for after-school program.
- Self-directed:** Assume responsibility for school operations and maintenance (e.g., contracting vendors directly instead of going through central office).
- Budget transfers:** Transfer money across line items without asking for area-level approval.
- Attendance plan:** Design own plan to increase attendance instead of following the district's plan.
- School calendar:** Set school year calendar, including breaks. (Most holidays are set by state law.)
- School improvement plan for advancing academic achievement (SIPAAA):** All IL schools are required by the state to submit a SIPAAA. AMPS schools were able to manage the planning process on their own without AIO oversight and thus were able to complete a shorter document.

Source: CPS files.

Note: There were no AMPS schools in Areas 3, 7, 8, 14, and 23.

Exhibit 9 High-School Scorecard for Kenwood Academy

Kenwood Academy 5015 South Blackstone Avenue · Chicago, IL 60615 · (773) 535-1350 SCHOOL SCORECARD		Data reflects 9-12 enrollment. Total Membership: 1,684 % ELL Membership: 0.4 % Special Education: 10.3	
	Score	GPS Rank	Trends & Benchmarks
STUDENT OUTCOMES			
			
Freshman Graduating in Five Years	64%	16 of 58	63 (2003) 67 (2004) 64 (2005)
Graduates Enrolled in College or Post-Secondary Education	55%	11 of 62	--
Employment Success (Under construction, available Fall 2006)	--	--	--
ACADEMIC PROGRESS			
			
Average ACT	18.6	6 of 69	Illinois Average - 19.9
Students Making Expected Gains	48%	6 of 70	--
Meet/Exceed PSAE State Standards	43%	6 of 69	37 (2003) 41 (2004) 43 (2005)
Students Enrolled in Advanced Placement Classes	8%	9 of 52	--
Students Scoring 3+ on Advanced Placement Exams	30%	15 of 27	--
Freshman On-Track to Graduate	65%	21 of 70	61 (2003) 62 (2004) 65 (2005)
Made NCLB Adequate Yearly Progress	No	--	--
STUDENT CONNECTION			
			
Average Days Absent per Student	20.2	32 of 81	--
Participation in Extracurricular Activities (Under construction, available Fall 2006)	--	--	--
Safe and Respectful School Climate (Under construction, available Fall 2006)	--	--	--
High Expectations and Support (Under construction, available Fall 2006)	--	--	--
SCHOOL CHARACTERISTICS			
			
Highly Qualified Teachers	84%	40 of 76	--
Average Days Absent per Teacher (Under construction, available Fall 2006)	--	--	--
School Cleanliness (Under construction, available Fall 2006)	--	--	--

Source: CPS files.

Exhibit 10 AIO Job Description, SY06

Principal Accountabilities for AIOs	Weight
1. Assist area principals to develop data-based school plans for improving instruction aligned with district goals and strategies. Help principals identify and utilize the support and resources necessary to successfully implement their school plans.	
2. Supervise and evaluate all area principals against established performance targets. Based on the evaluations, provide principals with opportunities for professional development that build on strengths and address weaknesses. When necessary, recommend principal removal to the chief executive officer. Facilitate conversations and collaboration among principals to address common challenges and share best practices.	70%
3. Assist area principals in planning, coordinating, and delivering school-based teacher professional development. Coordinate the delivery of district- and area-based professional development and other instructional support to area schools.	
4. Identify and support the development of potential candidates for the principalship in area schools. Lead principal succession planning, working with Local School Councils to help them identify and hire the best possible principals.	30%

Source: CPS files.