

**Austin Neighborhoods Council**  
**March 24, 2010**

Thank you for inviting me here today. I know you have a set of questions for me. Before we dive into those, I wanted to talk with you briefly about our district's Strategic Plan for the next five years and its relationship to our budget. This plan was created by teachers, parents, administrators, staff and community partners. I hope some of you were involved in its creation. It was created to answer the question: if we are going to create a high-performing school system that prepares every student for college, career and life in a globally competitive economy, what are the key building blocks we need to put into place over the next five years?

This Strategic Plan is different from its predecessors in several important ways:

- First, it is tied to a set of measurable outcomes and performance targets, allowing us to be very transparent with the public so that you know whether or not we are doing our job every day and every year.
- Second, the plan will govern how we spend our money. Performance-based budgeting is going to be a key framework for how we drive the dollars to the programs and practices that we say we value and that we need to improve outcomes for kids. We cannot afford to keep feeding sacred cows—especially if they aren't producing.
- And third, we are going to be transparent about which schools and departments are responsible for leading each action step in the plan and we are going to ask members of the community to sign up as partners for those parts of the plan for which they have expertise or capacity. We can't do it alone, and we can make some of the strategic improvements much better by working together. We have shared accountability.

The Board of Trustees set some pretty ambitious goals with this plan. [Slide 5.] What these goals boil down to is this:

Goal One contains a promise: if your children go to school in AISD, have no unexcused absences, do their homework, and stay with us for three consecutive years, they will graduate college ready. I can show you that for about we have already been doing this when those four criteria are present. About 89 percent of our current students meeting those criteria are scoring at or above grade level. Now that does mean that there are 11 percent meeting those criteria who are not on grade level. And there are many other students who have not been with us for at least three consecutive years, and they are not on grade level.

But we do know where to start. We need to start with every child coming to school and coming prepared. That requires a matching promise from their families. They must promise that their children come to school every day, arrive on time, stay for the entire day, that they be given the time, space, oversight needed to finish their homework, and that the focus on the students taking the responsibility for their own learning has to be

reinforced at home. If that happens, our teachers can work their magic, and these children will be performing at or above grade level.

Goal Two. If we get them in the classroom, then we will be responsible for making sure our teachers know their content, that they know how to teach it in a way that engages the child and is differentiated to serve the highest student and the struggling student, our English language learners and our Special Education students. Success means success for every student. When that happens, then we will be well on our way achieving our second goal: eliminating—not reducing—the achievement gaps.

For the Third Goal—all students will graduate ready for college, career and life in a globally competitive economy—we are calling on our community to promise to share in the ownership of these accountability goals. Many of you, as our partners, have stepped up over the years with mentoring and tutoring, after-school programs, equipment, your time, and funds to help us out. But our resources are finite, the bar for success is being raised, and the percentage of our students from economically disadvantaged homes is growing. We need to focus our work and our resources on the right things to do for academic success for all. And we need your help.

Goal Four. If we meet the first three goals, the fourth one will fall into place. We are setting our sights on becoming nationally recognized, which means we have to go beyond the Texas TAKS standards. Passing TAKS does not meet a college or career readiness standard. Success on the state assessment and state accountability should be our base. Regardless of what students decide to do after they leave us in the 12<sup>th</sup> grade, at the end of the day they will be college and career ready because we have raised our standards to national levels.

There are four over-arching improvement strategies in the plan. As you see in Slide 7, the second Strategy addresses the need to build strong relationships with our students, their families and the community through open communication, collaboration and partnerships to deliver the necessary supports, social services, and health care our students and their families need in order to be successful in school. Too often we find ourselves taking this on in our own schools, trying to manage social services for families when that is really not what they teach us to do or anything that we have the time or expertise to do. This is an area where we really need your help. I hope the Austin Neighborhoods Council will work with us on these important issues.

If we had an unlimited budget, we would hire many more staff members and get right to work on the 22 action steps we see as top priority for this year and begin the other 24 steps in the two years after this. Unfortunately, we face large budget constraints, including a decline in property tax revenue, no new state aid, the funding cliff as the Stimulus money ends in the next two years, and a budget in which expenditures outpace our revenue growth by 1.4 percent per year. So we have to prioritize. We have been cutting Administration staff to the bone. We anticipate reducing central office functions by an additional 113 positions. If we want to begin funding new initiatives, however, that

requires additional reductions, and some of those will inevitably affect campuses because that's where most of our costs are.

I thought I'd talk with you briefly about a few of our top priorities:

### **Improving Attendance (1.16)**

We have launched a district-wide attendance campaign to increase attendance dramatically. The only way our students are going to learn what they need to learn is if they are in class. Missing school one day per week means missing one full year of instruction for every five years that you are in school. Last fall semester, our high school attendance rate was 91%, but 54% of high school absences were unexcused. I think that is shocking. Our middle school attendance was actually considerably better at 95%, but 38% of those absences were unexcused. So missing school on a regular basis is almost a guarantee of academic failure. Not only that, but if students show up, we have more resources to work with. We will generate nearly \$6 million for every time we increase our attendance rate by one percentage point district-wide. That money will stay in the schools. Earlier this month, I honored a number of our schools that are already realizing a large increase in attendance, some by as much as 3 percent.

### **Dropout and Completion Rates (1.17 & 1.24)**

While people may argue about the methodology for calculating dropout rates, the plain truth is that our graduation rate is way too low. We've been looking at the dropout numbers for the class of 2008, and for that cohort we had a completion rate of 86.2% and a four-year graduation rate of only 74.3%. We have already counted 813 dropouts in our high schools and middle schools by the end of last semester – 69 percent of those students were Hispanic, 19 percent were African American, and 11 percent were Anglo. The disparity among schools is dramatic. It ranges from one dropout at one high school to 130 dropouts at another high school – it just can't go on. We are creating multiple pathways for students to use to graduate from high school. We now have evening credit recovery programs at two of our high schools, and next year we plan to have an alternative site for students who are about to drop out or who have dropped out and are getting back into school. Research shows that a major factor in dropout numbers is the discouragement felt by students who fall behind in high school credits and see no way to make up lost ground and graduate. Our plans for next year will give these students opportunities to get back into the graduation picture through accelerated credit recovery.

### **Dual Language (1.7) and Special Education (1.8)**

As you are probably aware, we are also implementing major changes in bilingual education (1.7), beginning with our new dual language program next year. We need better results for our English Language Learners. This community also values the idea of every one of our students graduating proficient in at least two languages. We are starting small with four schools that came to us with plans and commitments to pilot dual language. We will grow from there in future years. You should know that two of these schools have filled their classes, and the other two schools are on target as they continue to recruit students.

We are also going to re-examine our delivery of Special Education (1.8). I am asking the Council of Great City Schools to come in to closely analyze how we teach Special Education and make recommendations for comprehensive change. I'm also asking leaders from Baltimore City Schools in Maryland to come help us out. Their Special Education students out-performed those in every other urban district in the National Assessment for Education Progress (NAEP) and closed the gap with General Education kids faster than everybody else. We do a lot of things right in Special Education, but our staff is eager to work with these experts and learn how we can do better.

### **Supporting Highly Effective Teachers (Strategy 3)**

We will continually regard Strategy 3 as a priority—insuring that every classroom has a highly effective educator. We will concentrate on recruiting and retaining the best teachers and principals for our campuses, providing the best professional development and mentoring, and building our way to a total compensation package for teachers that competes with any district in the state. We are reorganizing our professional development to be more effective and proactive, and we are reorganizing our thinking and our systems at central administration so we provide better support for our campuses. With Board support, we are continuing and expanding strategic compensation. I want to thank many of you in this room for helping us develop this system. Through this Strategic Plan, we need to get to the place we'll be able to say we have the best compensated and most effective teaching force in the State of Texas and we can prove it. It will cost this district about \$12.9 million to give our teachers a 4 percent salary increase, which will give them parity with other urban Texas school districts. That is, of course, if those districts don't raise their teacher pay again.

One more thing—our data systems are becoming increasingly sophisticated in terms of providing teachers and principals with on-time information about student performance. The problem is—we're not ahead of the technology curve. We're just catching up. I would like some of the great talent in this community to work with us to bring us into the second decade of the 21<sup>st</sup> century, where many of our students already reside technologically, and help us anticipate the future.

We are also beginning long-range facility planning, so we will be calling on this community to assist with those plans—determining, for example how campuses of the future should be designed and equipped.

### **Transforming Schools (1.3), (1.14), (4.6)**

Our schools must be transformed to meet the needs of our students and the requirements of the future. In that vein, the plan calls for several initiatives to transform schools:

- The Strategic Plan calls for turnaround plans for schools that have been under-performing for a number of years. Before the State decides on the future of a school, we need to decide and implement a plan of action. For that reason, we issued a Request for Proposals for education organizations, colleges, school communities, and charter schools to come to us with their ideas for making our schools stronger.

- The Strategic Plan also calls for a serious look at school consolidation, repurposing and possible closure in order to make more effective educational use of inefficient operational spending. We have actually increased our enrollment by about 1266 students this year alone, and the numbers are growing, so we need every site that we have. But we need to be able to use our campuses more efficiently and effectively for all the students of the district.
- We are asking vertical teams to develop signature programs to provide a clear pathway of interest for students from elementary school through graduation.

I'll be happy to answer any questions you have on our progress with the Strategic Plan.

### **Questions from the ANC**

I also want to address the questions you've sent for me to answer.

**1) The ever increasing property taxes, especially school property taxes, are a primary instigator of Gentrification in East Austin. What can the AISD do to prevent the poor and middle income property owners and their children from being forced out of the central city and the school system? How can the AISD/School Bd and other taxing entities work together towards a more compassionate tax system that acknowledges and mitigates this very serious problem?**

It may surprise some people to know that AISD has the lowest property tax rate of the ten school districts in the region (e.g., \$1.202 in AISD compared to \$1.38 in Round Rock ISD and \$1.461 in Hays CISD). We are subject to the State's school finance system and all that entails. State revenues provide only 29.9% of AISD's budget, while local sources are required to fund most (72.6%) of the remaining expenditures. Included in our costs are the Recapture payments we send to the State, which we are estimating to be \$127 million this coming year. That means that for every dollar we collect in property taxes, forty cents goes back to the State to redistribute to other districts.

The AISD Board is very sensitive to the impact of taxes on homeowners, renters and local businesses. It struggles every year to provide adequate resources for our classrooms and to support students who come from economically disadvantaged homes. Tax increases are our last option. As we are doing this year, we are looking first to find efficiencies and reductions. In addition, any future property tax increases for schools are subject to a vote by the citizens of Austin.

From my perspective, gentrification, especially in central east Austin, is the result of a variety of causes that make the central Austin areas very desirable places to live and raising the property values of the homes in these neighborhoods. The school district has no control over property valuations or development. While the population of these neighborhoods is increasing, the percentage of families with children is decreasing. In 1970, 32% of households were families with children; by the 2000 Census, this percentage had decreased to less than 14%. This, of course, has a direct impact on having adequate enrollment in some of those schools, as we'll discuss in answer to question #4.

While our primary focus is, of course, teaching and learning, we are working with a number of agencies to address social issues having an impact on our students and their families:

- The District supports all efforts by the City of Austin, neighborhood communities, and housing advocates to maintain and increase the supply of affordable housing for low and middle-income families within the central urban core of the city.
- We are working with the City on a joint subcommittee to address student mobility and its relationship to housing. We also work with the Neighborhood Planning and Zoning Department at the City.
- We are also creating Educational Impact Statements associated with siting schools. These include environmental and neighborhood impact studies.
- Along these lines, the District has implemented Family Resource Centers at Dobie, Martin, Mendez, Pearce, and Webb Middle Schools. These centers help families find housing in the neighborhood when they have to move so that the students can stay in their school and not have to change schools as well.
- The District supports the establishment of the Historic Preservation District to address gentrification in central east Austin.

**2) Is it true that AISD is considering self-insurance for employee health benefits? If so, how could that be financed? What employee policies will attract and keep high quality teachers?**

Yes, it is true that we are looking at self-insurance as a district for employee health benefits. This means that, while employees will have the same coverage, the cost for that coverage will be paid out by the District from the pooled employee premiums, including those premiums paid for by the District as part of employee compensation. A third-party administrator will be hired to handle the administration of the program. Additional financing would not be necessary, as the District estimates that it will save approximately \$3 million per year as a self-insured entity.

The District takes a comprehensive approach when addressing the recruitment and retention of high quality teachers. We find that there are four areas that must be addressed: compensation, benefits, working conditions and professional development. All four areas are of equal value in addressing the need for high quality teachers. Compensation must be competitive with neighboring school districts; benefits such as health, life and dental insurance for teachers and their families must constantly be addressed; working conditions (competent principals, quality staff members, and community involvement) create a conducive environment for teaching and learning; and quality professional development ensures teachers an opportunity for successful curriculum implementation and career enhancement. As I said earlier, we think pay parity for teachers is a high priority for this district, but it costs a good deal of money.

**3) There is a consistent problem of the city and AISD not planning together in how to provide school services that are congruent with overall existing city-wide planning. For instance, there is a desire to not promote growth**

**over the Edwards Aquifer yet AISD continues to build schools that promote said growth. This is a dichotomous problem, especially when we all know that people move to where they want to live based on schools being there. How is the AISD going to address this ongoing problem? How is AISD going to participate in the City's new Comprehensive Plan?**

Regarding the location of schools: we plan for students who are already there. We follow growth. We don't precede it. A good example is the new Southwest Elementary School. A neighboring school, Clayton Elementary, had just opened a few years ago and found itself last year with 13 kindergarten classrooms. It was way over capacity and continuing to grow. When we do build schools, you will find that we go beyond the requirements of the development code, including impervious cover requirements. Small Middle School is a good example. We worked very hard to have a small footprint for that school and keep a lot of green space. There is much more green space at Small than there would have been had we not built that school and let the property be bought for commercial development.

AISD works closely with the Neighborhood Planning & Zoning staff at the City, Parks and Recreation, and the City Manager in terms of joint planning. We are beginning work on a master plan with Parks and Recreation.

The Mayor and City Council set the vision for the city. Other entities follow. We don't control housing patterns. We respond to those that already exist.

We are currently working with the City on its Comprehensive Plan and have a staff member on the Citizens Task Force for the Plan. As you probably know, the task force is asking the City to consider adding concern for Education, Health and Human Services to the City's charter. We will continue to work with the City and its working groups on the Comprehensive Plan as it affects education.

**4) Schools in East Austin are being closed. Given the degree of education funding by the TX legislature, real educational opportunities are made up through community involvement. Unfortunately, in East Austin community involvement is very low due to the lack of disposable income and time (parents frequently work two jobs to make ends meet). Furthermore, many of these parents cannot afford to own cars and so are dependent on public transportation making commuting to AISD Board meetings to advocate for their children difficult. This results in fewer resources being allocated to their schools. With the population of Austin constantly growing what can the AISD do to prevent these schools from closing?**

As you know, schools can be closed by the State Commissioner of Education for failure to meet State academic standards over a long period of time. As it stands, two schools in East Austin, Johnston and Pearce, were closed for low student academic performance. Other schools are in jeopardy this year due to multiple years of low student performance.

We are working day and night to improve academic performance:

- We are improving access to more rigorous learning for all students as the state standards rise.
- We are also, by the way, spending much more money per student in schools with high economically disadvantaged student populations to try to even the playing field and provide additional supports. Are we spending enough or for the right supports? We are analyzing our spending to get those answers.
- We have issued a Request for Proposals for outside partners, education providers, charter schools, school communities, and colleges to use to propose alternative school models to operate in partnership with the District.

You should also know that the District and Board have developed a set of policies and procedures to address school closure. This includes opportunities for public input and on-campus meetings. Families do not have to travel to Board meetings to be heard. As we developed our East Austin Schools Plan, for example, we held five meetings in the East Austin community.

### **5) What provisions has AISD made to insure that the dual language program is financially sustainable over time?**

Beginning in the coming school year, we are initiating our dual language program. We are using two models. The One-Way Dual Language replaces the traditional late-exit bilingual program in use in this district. It is designed for classes of English Language Learners. The costs for the transition of the One-Way program are minimal. Six AISD elementary schools (Ortega, Dawson, Sanchez, Blazier, Winn, and Pickle) will pilot the one-way dual language program for the 2010-2011 school year in pre-K and Kindergarten.

We also have a Two-Way Dual Language initiative. We are beginning in four schools (Becker, Perez, Ridgetop and Wooten) next year. These schools applied for the program and won it in competition with other schools. We are currently allocating portions of our ARRA (Stimulus) funds to support the Title I schools implementing the pilot. While these funds will not be available for FY12, we are considering using some of our Title III funding for English Language Learners to provide continuing support for the program. Our Title I schools implementing Dual Language should also be able to use their Title I funding to support the program.

We are convinced that Dual Language provides the best results for our English Language Learners and provides a tremendous asset for our students wanting to learn Spanish. We have seen better academic outcomes for all the students in dual language programs in other districts. While expansion of the program will be a budget issue for FY12 and require additional funding for teacher development, additions to libraries, and additional class resources, it is a high priority in the Strategic Plan and represents a value of this community, so it must be funded.

**6) The high dropout rate of Hispanic and African-American students, many of whom do not make it past middle school, has happened while various programs (community outreach and mentoring programs) designed to prevent this problem were implemented. How does the AISD evaluate these programs to judge them for both cost and benefit effectiveness? Have these programs/activities been assessed for duplication? Who is accountable for the performance of these programs/activities? Does AISD know why so many students are dropping-out of school? Does AISD know what becomes of these dropouts? What specific new plan of action will the Superintendent take to reduce the high drop-out rate in the Hispanic and African American communities?**

High school completion rates dropped slightly in AISD between 2006 and 2008. Completion rates include those who have graduated and those who are continuing in high school and have not dropped out. In 2008, we had an overall completion rate of 86%, with a completion rate of 80% for Hispanic students, 82% for African American students, 94% for Anglo students, and 78% for Economically Disadvantaged students. The annual dropout rates for students have declined slightly with the highest dropout rate for Hispanic students at 5.7% per year.

We recently conducted a study to determine early indicators that a student might drop out. High on that list was student attendance with a strong correlation for students who began having extended absences by the 5<sup>th</sup> grade. We also found that students who were enrolled in the district for fewer days per year than average had a higher dropout rate. A third indicator is for students who have a history of spending time at one of our disciplinary campuses, usually for mandatory (state-required) removals.

These red flags appear for a number of different reasons. We conducted focus groups with current high school students and recovered dropouts. They shared with us the following reasons for dropping out:

- Students may leave school because they are not engaged;
- They cannot pass TAKS after multiple attempts;
- They are falling behind in grades and class credit—high school dropouts are typically ninth grade repeaters with less than 10 credits;
- They have family responsibilities, including care for their own babies, for siblings, or for disabled or elderly parents;
- They have work responsibilities to meet family financial obligations;
- They have transportation needs, particularly if they change school attendance zones but do not want to change schools; or
- They become involved in gang activity.

To respond, we are providing an array of intervention services to address both student attendance and dropout rates. These will be expanded in the coming year. These include the following:

- We are creating a school specifically for credit recovery for recovered dropouts and those at-risk of dropping out;
- We will be developing additional Twilight (evening) education options;
- The Jobs Inc. program at Eastside High School has been successful in increasing student attendance, improved grades, and student behaviors because it assists students who must work while in school by providing job training and connections to potential employers;
- Garza High School serves a number of students who were not engaged in their classes at our comprehensive high schools.

AISD dropout prevention staff and campus personnel are able to contact the majority of the students on our dropout list. Many of these students did not want to return to traditional campuses. Some have enrolled in charter schools or have obtained a GED. Others are employed or incarcerated. During the summer of 2009, with the assistance of community volunteers, we contacted all the students on AISD's dropout list that we could find. Volunteers received specific training in collecting needed information so that staff could develop tailored intervention / educational recommendations to discuss with each student.

The AISD/City of Austin/Travis County Joint-Subcommittee has established a Tuancy Plus working group composed of AISD staff and various community non-profit stakeholders. This subcommittee recently submitted recommendations to this joint body to establish and fund a position to organize and lead a Youth Commission, whose members are young men and women from across the county. The Youth Commission would identify issues impacting youth and submit recommendations to the Joint-Subcommittee.

Programs Designed for Dropout and Attendance Intervention:

Our Office of Dropout Prevention & Attendance Intervention directs the work a number of programs, each addressing specific needs at specific campuses. Each of these programs has an evaluation component documenting the levels of success in increasing student attendance and/or reducing dropout rates. They include the following:

- Campus-based dropout prevention specialists provide attendance and dropout recovery services at select secondary schools.
- Campus Impact Teams provide academic and social service interventions at all campuses.
- Jobs Inc. Program, a TEA Collaborative Dropout Prevention grant at Eastside Memorial high schools, collaborates with various community partners to provide: job skill training, job placement, internships, tutoring training and employment for Eastside Housing Authority students. These students provide math & language art tutoring for elementary students.
- Our Diversified Career Tech. Class awards elective credit for employed students.
- Our Teen Talk Show at Eastside Memorial engages recovered dropouts and other students to produce and host a talk show addressing reasons why students drop out of school

- Our Launch Pad Program at Dobie M.S. supports students facing challenges.
- Our Life Changers Program provides attendance intervention services for middle school students and their guardians.
- Our on-site Truancy Court at Pearce, Fulmore, Martin, and Mendez middle schools provides an immediate antidote to chronic absence problems.
- We have initiated a pilot mentor program at our alternative learning centers and for students in the Juvenile Justice system.
- We've launched Attendance classes for elementary school parents.
- We have a Virtual School home-based academic program for high school students and a Virtual Education program for teen parents.
- We have on-site day care centers in schools where teen parenthood is high.
- Our Positive Behavior Support program has reduced discipline referrals and removals.
- We work with a number of local providers to keep children in school, including the Boys & Girls Club and Communities in Schools.

**How does the AISD evaluate these programs to judge them for both cost and benefit effectiveness?**

AISD is developing a program evaluation and performance-based budgeting model that focuses specifically on the questions of cost-effectiveness. Preliminary work has been shared with the Citizens Budget Review Committee. At the same time, the district is refining the process used to approve and continue new programs. A major new component is that all new programs will include “sunset” dates. When a program sunsets, continuation will be determined by specific criteria; programs will not simply continue as in the past.

In addition, a working group is working with national experts to determine the variables and process that should be used to audit program effectiveness. A first step of this work is to establish common metrics for all program evaluations to determine cost-effectiveness. Another short-term goal is to identify duplications in current programs. A new process has already been implemented to begin to track costs by program. In this year’s budget process and in developing the budget for next year, we will be scrubbing the budget of ineffective programs and making sure we support programs that do the job. We can’t afford not to do this, both in terms of our students’ lives and in terms of our budget.