

Report to the Civic Advisory Committee

From: Baker Kurrus

Date: June 15, 2015

I was appointed as superintendent on May 6, 2015. Since that time I have focused my attention on four main areas that need substantial improvement:

1. Organizational Functionality to Improve School Performance
2. Implementation of School Improvement Plans
3. Financial Responsibility and Planning
4. Community Support and Engagement

I. ORGANIZATIONAL FUNCTIONALITY TO IMPROVE SCHOOL PERFORMANCE

My initial assessment after about a week was that the school district was being operated in a disorganized fashion, especially with respect to the academic and school-based operations. There were no clear lines of authority, no clear lines of communication, and very few clear decision-making processes. Many major decisions were made in isolation, without consultation and without regard to the limits and delegations of authority that customarily exist in an organization.

As I discuss below, improvements have been made and are continuing. Major personnel decisions are being made differently. Morale is improving, and focus has been returned in some instances to student performance. A number of organizational weaknesses will continue to be addressed. It is impossible in 41 calendar days to transform an entire organization with a \$320,000,000 budget and about 3,700 employees. I am not going to try to report on everything that our team has been doing, but every action taken has been toward improving collaboration, improving morale, and improving employee engagement. These actions improve decision-making, and ultimately improve results in the classroom.

When I arrived, there was an organizational chart, but the school district was not operating in accordance with the lines of authority and reporting shown on the chart. There were actually duplicate personnel in some key positions. The superintendent had taken over some of the direct line responsibilities for management of middle and high schools. Some high level managers were involved only in ancillary tasks as assigned. Some high level personnel had been isolated and relegated to menial work.

The actual lines of authority, as exercised and as operated in some schools, were confusing and counter-productive. The organizational chart which is attached as Exhibit A depicts the former lines of reporting and authority as exercised in several schools. As you will see, in some cases, the superintendent was bypassing the associate superintendent, and giving direction to the principal on a regular basis. This was done without input or even the knowledge of the associate superintendent. Assistant principals were hired at the behest of either the superintendent or the principal, which was confusing. Some assistant principals and “teachers on special assignment” (who acted much like assistant principals) were placed in buildings by the superintendent without input from the principal or the associate superintendent. The superintendent, the associate superintendent, the principal and the assistant principals seldom acted in concert, and rarely cooperated. These reporting relationships caused (and reflected) divisions among staff members. These actions confused everyone, including teachers and students. Employee morale and job satisfaction slumped. Employee absenteeism went up dramatically, and student achievement stagnated. These management failures eliminated almost any chance for schools to build cohesive teams with purpose and drive. These management mistakes created factions which either favored the superintendent, the principal or the associate superintendent. There was no culture of cooperation, and no culture of creativity. Time and effort were wasted. When you see this depicted on an organizational chart, it is easy to see why things were not good.

In the midst of this, some schools were very successful. These schools were not impacted, primarily because mismanagement in some schools caused upper level administrators to be preoccupied with problems at those schools. Many of the other schools were left alone. Strong, effective building leadership allowed many schools to make real progress for their students. Some schools overcame organizational deficits by “wiring around” obstacles and isolating themselves from the dysfunction. Some principals operated in relative isolation, and had success. Other schools did not function well in this environment, and their staffs became divided and ineffective. It may have been coincidental, but in my analysis the schools that functioned best were the ones where the traditional lines of communication, authority, responsibility and accountability were respected.

It is not productive to worry too much about why all of this occurred. It is imperative to fix the problems. Dysfunctional dynamics and operations are not unusual in failing organizations.

Personal relationships and loyalties often play a large role. These things are very powerful tools, and can be used for good, or used improperly. It is appropriate to value one’s colleagues, and to build professional relationships among and between co-workers. Deep friendships may evolve among and between persons who are more or less parallel on an organizational chart. However, personal relationships can damage an organization if they exist across supervisory lines, or if they impact decisions. Even the appearance of impropriety can cause palpable damage to an organization.

In several instances, two people were parallel on the organizational chart, with no clear lines or divisions of authority or responsibility. The superintendent would apparently assign tasks to these persons. As noted earlier, principals would be assigned without consultation with associate superintendents. Assistant principals would be placed in schools by the superintendent, without consultation with building principals. This sort of decision-making is confusing and detrimental to team-building. Most of this activity proved, in retrospect, to be ineffective and counter-productive. Positions were created and

staffed from the superintendent's office, without input from associate superintendents who should be accountable for results in the impacted schools. Under this management style, there was no accountability, because the lines of authority and responsibility were not clearly drawn. Decisions appear to have been made without regard to job descriptions, written job responsibilities or chains of authority, responsibility and accountability. I was initially surprised when mid-level managers would approach me directly without the knowledge of their supervisors, but this was commonplace. Many departments were operated in relative isolation, and there was virtually no coordination between related functions. The administrative culture was not based on performance or merit. "Cultural Imperatives" were adopted, but they were never practiced or ingrained.

There was no apparent plan or organized mission-driven approach. Almost every task was programmatic, and there were very few systemic operations in any of the three main academic areas, high schools, middle schools and elementary schools. The administrative system was activity-based, rather than outcome-based. Most administrators were busy, in a way, but mostly focused on activities ancillary to outcomes. Meanwhile, many teachers on the front lines were feeling isolated and unsupported. The overall plan for success was never articulated, even to senior staff.

No constructive purpose would be served by further discussion of these issues, but they are being addressed very rapidly.

I have taken the following steps:

1. I have outlined the leadership model which the district will employ in almost all of its activities, whether academic or supportive. It is a very simple accountability model:
 - a. Clear goals and objectives. These goals are derived from group activities, but are aligned by senior executive management. Every goal should have a timeline.

- b. Assignment of responsibility. The actions necessary for accomplishment of goals are assigned and delegated in a collaborative way, with affirmative acceptance of responsibility.
- c. Provision of resources. The tools and resources required to accomplish the goals are allocated, and the teams responsible for the accomplishment agree that they have the resources necessary to accomplish their goals.
- d. Delegation of authority. The authority to accomplish the agreed-upon goals is given to the persons responsible for accomplishing those goals.
- e. Systematic approaches to regular tasks. For example, curriculum will be aligned to standards. Lesson planning, teaching, interim assessments, evaluation and re-teaching will become ingrained as a part of our institutional DNA.
- f. Assessment. A method of measuring progress is determined, and benchmarks and timelines are built into the assessment model.
- g. Consequences. There are consequences for success, failure, and outcomes which are in between. These consequences may not be negative, but action must be taken when goals are not met. Personnel management and professional development will focus on training to improve performance in the classroom, which will be measured by student growth. The tools for this assessment are largely mandated by law or contract, but the focus must be on student outcomes.

This operating model only works in an organization which has systematic operations based on established policies and practices. The organization must also utilize a collaborative form of leadership based on mutual respect, consultation, and division of authority. Without established policies, practices and consistent operations, it is difficult to make adjustments and recalibrations. Without some type of baseline for operations, any changes and adjustments cannot be measured for effectiveness.

There was no focus on systemic plan execution at the executive level. Some schools had very good routine operating processes, with excellent results. In other schools, the focus was almost entirely on preparation of plans, staffing problems and changes, and execution of programmatic activities which did not address the systemic failures. These efforts resulted in low student achievement in many schools. Conversely, the schools with strong internal systemic processes produced much more consistent results. LRSD must focus on students who are basic or below basic, regardless of whether the schools where the children attend are meeting the necessary standards.

There is one particular realization that must be understood in order to tackle the problem of low achievement at secondary schools. The secondary schools which are labeled as distressed are receiving percentages of students performing at basic or below basic levels sufficient to classify those schools as distressed. In other words, sufficient numbers of the students enrolling at those schools who fall into the basic and below basic categories are simply continuing to perform at the same relative levels as they progress through the schools. One of the primary drivers of improvement in secondary schools labeled as distressed will be the improvement in math and literacy of the students entering those schools.

I have empowered associate superintendents to supervise and collaborate with principals. These principals will be responsible for the team-building which is necessary to improve outcomes. This activity will be supported directly by a collaborative “advise and consent” process by associate superintendents, and supported indirectly by me. The utilization of school improvement specialists and facilitators is going to be a point of focus in the short time between now and the beginning of the fall term. Decisions which impact student learning will be made in an organized, collaborative manner whenever possible, with input from teachers. Schools that can pull together will improve dramatically. Both success and failure will be shared among all who are in the accountability chain, so that there is a shared sense of urgency, and an optimistic sense of planned, anticipated accomplishment.

Clear expectations and goals will be established regarding matters impacting school culture, such as safety and security, discipline, respect for colleagues and students, behavioral expectations, and other similar items. Cooperation and training for classroom management, school resource officer engagement, and safety and security interactions, are needed immediately.

Some of the school-based work has been initiated, and more will continue with principals and assistant principals during the summer. More will be done in these areas prior to the opening of school, and the work will continue thereafter. The successful integration of school improvement specialists is a continuing challenge. The appropriate use of interventionists, facilitators and special teachers is also a key area for scrutiny and improvement. These are key drivers of success, but these persons must be integrated into the chain of accountability in order to be most effective over the longer term.

We need a comprehensive organizational response to the failure of our older students to read at acceptable levels. The current school day in middle and high schools does not accommodate the reality which exists – many students are not learning because they cannot read and comprehend the textual materials which are put before them. Although this is clearly an academic problem which we are attacking at earlier levels, it is also an organizational and systemic problem when it reaches the upper grades. We are adding 300 pre-kindergarten seats in areas of need, which should be a major factor in improving kindergarten reading readiness. Over time, this should translate into higher achievement in the primary grades, and into the secondary schools. However, we cannot ignore the problems we currently face in secondary schools. We are going to work over this summer with reading experts as well as researchers and consultants to find the best systemic practices to limit the number of children who reach third grade with deficits in reading skills. We also need an organizational, systemic answer for the students entering middle school and high school with major deficits in their reading and math skills.

Although there is a tremendous amount of process improvement and documentation that needs to be done, I am gratified by the work of my colleagues thus far. I am very excited that we are working more cooperatively and constructively. This is a promising development. I appreciate the efforts and cooperative spirit that I have encountered almost everywhere I have gone. I will have additional comments in that regard in the conclusion to this report.

All of these efforts are designed to promote a culture of cooperation, respect and accountability. If you decide on clear goals, allocate the necessary resources, assign responsibility, delegate authority and fairly assess the results, you have accountability. When you are so good at this that it ceases to be linear, but becomes circular, you have continuous improvement. Goals are constantly being reassessed and raised. Good ideas begin to bubble up and percolate. Progress may be incremental, but things get better, and everyone is a part of the success.

I am learning a great deal as I go, and I am working to improve my skills. I will be attending superintendent training, and Tony Wood (former state Commissioner of Education and a long-time successful superintendent) has agreed to be my mentor under the program administered by the Arkansas Association of Education Administrators. Tony's counsel will be invaluable.

II. IMPLEMENTATION OF SCHOOL IMPROVEMENT PLANS

Little Rock School District has a number of detailed school improvement plans which apply to the six academically distressed schools in the district. The Arkansas Department of Education has been involved in the development of the plans, and in the assessment of the conditions which need to change to allow for major improvements. We are very appreciative of the Department's help, and I have benefitted greatly from the work of the Department.

I will go into some detail with respect to the plans for Baseline Elementary. Some of the management, staffing and operational comments made with respect to Baseline are also relevant to the other schools.

Prior to my arrival on May 6, 2015, district representatives met with the parents and stakeholders at Baseline Elementary. The decision to reconstitute the school was made prior to my arrival. After my review, I determined that this course of action was compelled by the facts, and favored by the stakeholders who attended the community meeting. Based on the commitment to the community, and other relevant factors, I decided that the district should proceed to reconstitute the school. This was also the view of the associate superintendent responsible for Baseline.

A comprehensive plan was crafted around this reconstitution. The district also applied for a School Improvement Grant. This grant was approved on June 16, 2015. This will allow more to be done at Baseline Elementary. One of the major drivers of the program will be the extension of the school day. The school's basic improvement plan is on the district website. We will also post a summary of the grant proposal. We are assembling a team of people who will make a positive difference at Baseline. We have chosen, through an inclusive interview process, a principal who will be a strong and effective leader. I am making arrangements to provide him the support he needs, because he is inexperienced in the traditional sense. He does have considerable relevant experience in areas which are going to make a huge difference at Baseline. I consider the challenge at Baseline to be almost unique, and therefore traditional experience in this particular case is not a strong prerequisite. We will provide the principal with a wealth of knowledge and support. We will assemble a strong team. I will not be forcing those issues, however, because the team needs to come together, rather than be forced together. The "plans" will also be adjusted to some degree as the team reviews them, and the personnel on the ground will make appropriate modifications to the extent allowed by some of the funding mechanisms. I have high hopes and expectations for Baseline. I have confidence that we are moving in the right direction there.

We are working on the fundamentals at the other distressed schools. At the present time we are working to be sure that the principal and assistant principals have a clear understanding of the need for cooperation and teamwork. Some of these teams will either be reestablished, reworked or redone completely. We will work with teachers in furtherance of this same goal next fall. The leadership team concept will be broadened if necessary to build a cohesive group of educators with common goals and purposes.

We are selectively adding personnel at these schools. We recently participated in a very productive job fair, and we hope to hire a number of key personnel from this activity. We will also evaluate the number and effectiveness of the assistant principals, teachers on special assignment and others. The number and assignment of school improvement specialists is under consideration at this time. We have been actively recruiting key personnel, including persons who speak Spanish. We will employ some particular interventions at Cloverdale which may be effective.

For all of the distressed schools, we are going to pursue many of the same organizational improvements described previously. We will also specifically address the Academic Distress ADE Evaluation Team Recommendations, many of which are symptoms of the organizational deficits I have described. We are working diligently to build effective administrative staffs that can cooperate and collaborate. The ADE recommendations for several schools noted that the administrative leadership teams were not established. A recent report from ADE (copy attached as Exhibit B) shows that “the district does not empower the leadership to make school based decisions.” There is a “lack of collaboration and coordination” in many areas. “Staff appears divided.” There is a “lack of buy-in by staff.” We have been working on these problems, and progress has already been made in some areas. The Commissioner of Education Johnny Key and his staff have been most attentive. We continue to have a positive working relationship with ADE. The Department has given us a roadmap for improvement in many ways.

III.FINANCIAL RESPONSIBILTY AND PLANNING.

Under the recent desegregation case settlement, the Little Rock School District receives a special allocation of \$37,347,429.00 per year from the state. This special operating funding will end after June 30, 2017. For the year ending June 30, 2015, we will probably break even. The simple math is that we must cut about \$37,347,429.00 from our operating budget by July 1, 2017 to maintain a balanced budget.

A number of budget cuts and contract adjustments have been made for the coming year. Some management positions are not going to be filled. Some support positions are being eliminated. Teaching positions are also being eliminated by tighter scheduling and by moving away from block scheduling at the three distressed high schools. Middle school teachers will teach six of eight periods, which lowers the total number of teachers needed. The reductions are through attrition. We are currently hiring additional teachers in specialty areas. We will move toward state standards for staffing.

Many future financial considerations depend on enrollment, both district-wide and in particular schools. The elimination of inter-district desegregation transfers may have a substantial impact. Other school transfer laws are coming to bear, and may change enrollment.

If we are to prosper and grow as a district, we must have a balanced budget and we must also have a workable capital improvement plan. We have aging buildings, and we have needs for new facilities.

The plan for new construction prior to my arrival was to launch a millage campaign. Our current millage rate of 46.4 mills ranks near the top of the districts in the state. Pulaski County Special School District recently proposed a 5.6 mill increase in its rate. If the proposal had passed, the millage rate for the PCCSD would have been 46.3 mills, which would have still been lower than the rate in Little Rock School District.

The PCCSD's proposal was defeated, leaving the county's millage at 40.70. Our millage rate is higher than the rates in effect at Fayetteville, Fort Smith, Rogers, Springdale, Bryant, Cabot, Conway, Benton, Searcy, Beebe, Pine Bluff, Hot Springs, Malvern, Morrilton and almost every school district in Arkansas. North Little Rock recently passed a millage increase to 48.30. Bentonville has a rate of 46.60. Even though we have a higher total millage than almost all districts, we spend a low percentage of our total budget on debt service or maintenance. This has left us with many older, smaller facilities, poor or non-existent athletic facilities, and a great deal of deferred maintenance. We receive our state foundation funding under a matrix which assumes the efficiencies associated with a school having 500 students. A copy of this matrix is attached as Exhibit C. To the extent we are inefficient in any one place, we must be more efficient in another, or we will not have the resources we need for success.

The most current estimate of the impact of planned cuts for 2015-2016 is a cost reduction of about \$12,000,000. If we can cut another \$25,000,000 during 2015-2016 and 2016-2017, we will achieve a balanced budget for the 2017-2018 school year.

In order to have money available for construction projects, we need to go beyond a balanced operating budget. We currently collect 12.4 mills which are dedicated for debt service. Each mill produces about \$3.2 million in revenue. School districts do not typically spend all of their dedicated debt service funds on debt service. We also need what financial advisers call "coverage." We need to have more dedicated revenue available than is actually required, so that we have a coverage ratio of debt service revenue to debt service of about 1.8. This keeps our bond rating strong, and keeps our interest rates at the low levels appropriate for good credits. We now spend about \$12.5 million annually on debt service. At a coverage ratio of 1.8, we could spend another \$10,000,000 annually from our dedicated debt service millage if we could free it up from its current use for operating expenses.

If the cuts in 2015-2016 and 2016-2017 can be achieved, and they will not be easy, the school district will be able to increase its fund balance by about \$35,000,000 by June 30, 2017. My current thought is that most of these funds need to be reserved for capital improvements and building projects. We will need to balance these clear needs with the needs of our employees.

In 2017-2018, the State of Arkansas will pay our district a final installment of \$37,347,429.00 which must be used exclusively for facilities. If we can make the cuts described above, and if other expenses do not increase, we will have a capital fund of about \$70,000,000 by July, 2017.

If we can achieve \$50,000,000 in total budget cuts by that time, we will have another \$10,000,000 which we could use for debt service. This would allow the district to borrow about \$165,000,000, if a rate of 4.5% over 30 years were available. (Rates can change rapidly, and this would have a huge impact on the amount to be borrowed.) If these budget goals can be reached, we would be in a position to invest about \$235,000,000 in facilities by the spring of 2019.

This type of program would allow LRSD to consider constructing new schools, and possibly consolidating smaller schools which do not operate within the funding criteria set forth in the state funding matrix. Many of these schools have inordinately high costs, and have shared personnel responsible for important activities. If inefficient operations are combined in new facilities, the operating savings could leverage additional construction and facilities improvements. This sort of discussion has always been very controversial in Little Rock, but something like this has been done in many other communities in Arkansas. The state funding formula assumes the efficiencies that come from larger facilities being operated in accordance with the funding matrix. If some schools in LRSD spend more than the matrix funding, others must spend less, because the difference will no longer be paid by special funding from the state. The issue of equity that is often discussed also compels us to consider these actions. If we think that some facilities are better than others, we either must make changes or accept the

inefficiencies as the costs which we are willing to pay for the perceived inequity of older buildings which are not conducive to 21st century educational needs.

If we expect to offer our students the opportunities that are afforded to students in surrounding districts, we must do all we can to reach these goals.

The bulk of these cuts in the first two years will come from administrative cuts and from moving toward state standards with respect to staffing and teaching loads. Thereafter, the savings must come from efficiencies associated with school operations. The decisions to pursue these cuts, and the decisions to obtain the benefits that arise from them, will be discussed further in the Community Support and Engagement section. Many of these decisions are not mine to make.

IV. COMMUNITY SUPPORT AND ENGAGEMENT

I believe that it is important for the Civic Advisory Committee to build a sense of community engagement and discourse which is civil, productive and enduring. I believe that a very important goal of the Civic Advisory Committee is that it function in a way that engenders community confidence. I hope that the committee can generally reach consensus on most issues, and typically speak with one strong voice.

It will, of course, be up to the group to set its own agenda within the scope of the committee's purpose as outlined by the State Board of Education in the memorandum from the state board attached as Exhibit D. By my reading of the memorandum, the purpose of the group is not to delve deeply into operating details or personnel issues. It is up to the superintendent and the employees of the school district to operate the district in a responsible manner. The operating details are myriad, and often

confidential with respect to personnel. As I mentioned earlier in this report, I see the operations improving in major areas, and this is absolutely necessary. I will provide monthly updates.

The more important work of the Civic Advisory Committee will center not on operational details, but on the major community decisions which will determine the ultimate outcome of the current unsettled situation. If these issues are not resolved, it will be difficult for the school district to survive in its current configuration. Conversely, if these issues are resolved in ways that promote effective teaching and learning in facilities which are conducive to student achievement, the school district will thrive and succeed far beyond its current levels. The results will also be sustainable. The long-term impacts could be unbelievably valuable to our children and our community. Unfortunately, the converse is also true. If we fail to resolve several key issues, it will be very difficult to have a school district which is effective, sustainable and productive.

The discussion thus far has made reference to “the community” as if it were a monolith. It must be recognized that the Civic Advisory Committee is largely a group of public school advocates, but even within that group there are divergent points of view. The Committee does not have broad-based representation from charter school groups, private schools, independent schools and parochial schools. All of these groups compete for students in some fashion. Whether the educational context is described as competitive or not, or whether the pivotal descriptor is “choice,” we know that any stumble we make will empower others to take up the tasks that we fail to accomplish. We are all trying to improve outcomes, and offer educational experiences that meet the needs of different students. That realization means, for me at least, that we are almost forced, as public school advocates and stakeholders, to go at this process somewhat differently. If we as public school advocates recognize our unity of purpose, and if we are able to work together, we will survive and actually thrive. On the other hand, if we do not, and if we do not make the best decisions, our failures will promote the growth and success of the other

major institutional players in the community. Some institutions will compete, innovate and grow. Others will not. If we do not serve the needs and interests of our constituents, other institutions will, and they will be the survivors. We operate in that arena, and we must be creative, efficient and innovative if we expect to compete for students. That is the “straight talk” that we need to hear in order to become better at what we do.

The committee co-chairs have asked me somewhat informally in our discussions about what the group can do to assist me as superintendent. I need the committee’s help and advice. My hope and my request is that the committee will work with our team and assist us in general. At this time, I would like for the committee specifically to look at four major issues:

1. Does Little Rock, or at least the part of Little Rock currently served by LRSD, want to continue to operate approximately 48 schools?
2. If a plan could be devised to construct new facilities, especially new and larger elementary schools, would the community support closing smaller schools which are in close proximity to each other?
3. What is the community’s preference with respect to configuration of the school districts in our county? Should our team be working toward a plan for one school district south of the river, or should we be working in opposition to such a plan?
4. How do we muster and focus community resources to support our children of need? What is the role of the school district, and what are the roles of the support groups and agencies? How is this to be coordinated systematically and effectively, over the longer term?

Without answers to these four key questions, it will be difficult to prepare budget projections for the critical school years of 2017-2018 and beyond. Without answers to these questions, it will be difficult to take all of the actions that might be required to balance budgets, fund school improvement specialists,

hire and train the right people, and promote equity. Without answers to these questions, it will be hard to prepare a capital improvements budget. Without these answers, I cannot say what the future holds, because the future turns on the answers. As I said, your work is crucial.

I have ideas with respect to these matters, and I am doing some preliminary study with respect to them. I think we could benefit from some professionally-facilitated discussions about these topics and others. I favor the use of a professional facilitator. I also favor an equity study, which may inform some of the items I have listed. I respect the fact that these are your decisions.

My request is that this committee turn to the serious strategic issues that will determine the future of our school district. The decisions about the future governance of the Little Rock School District are not mine to make. I do believe that sustained systemic improvements in academic achievement, governance and financial management, along with realistic plans for maintenance and construction of facilities, will push in the direction of local control.

V. CONCLUSION. My initial report would be incomplete without discussing the places I have gone and the people I have seen in the last five weeks or so. I have written about some of my activities in a weekly column called "Straight Talk." It is on the LRSD website. I would like to incorporate those five weekly columns into this report, so please read them if you have time. My most gratifying moments seem to be associated with the students in our district. I have learned a lot by getting to know them on their terms, in their schools. We must not fail them.

We have some great people. We have some successes, and some challenges. I am thankful to all who are working to make our district better.