

School Districts' Perspectives on
the Economic Stimulus Package

School Improvement Grants Present Uncertainty and Opportunity

Background

The American Recovery and Reinvestment Act of 2009 (ARRA), also known as the economic stimulus package, appropriated an extra \$3 billion for School Improvement Grants to help reform persistently low-performing schools. With the \$500 million already provided specifically for this purpose through Title I of the Elementary and Secondary Education Act (ESEA), which serves low-achieving children in low-income areas, the ARRA appropriation brings the total funding for school improvement to \$3.5 billion, available for use through September 30, 2013.

School Improvement Grant funds under ARRA are allocated to states, which then distribute the funds to school districts. Districts use the funds to improve the roughly 5,000 schools in the country that have been identified as lowest-performing by their state. These include both troubled Title I schools and schools that are eligible for but do not receive Title I funds, such as high schools in districts that have chosen to focus Title I funding on elementary schools. Most participating school districts received funds in the spring of 2010 and will begin to use them in school year 2010-11.

ARRA sets out extensive new requirements for School Improvement Grants. To receive these ARRA grants, districts must agree to use one of the following four intervention models endorsed by the U.S. Department of Education:

- *Turnaround*, which includes replacing the school principal and no more than 50% of the school staff and implementing a new or revised instructional program
- *Restart*, which involves closing the school and restarting it under charter management or under an educational management organization
- *Closure*, which refers to closing the school and enrolling its students in higher-performing schools in the same district
- *Transformation*, which encompasses a variety of options, including increasing the effectiveness of teachers and leaders and extending learning time

Although most districts that receive ARRA supplemental School Improvement Grants will just be starting to implement one of the four reform models in targeted schools in the 2010-11 school year, the Center on Education Policy (CEP) wanted to learn about districts' prior experience with each of these intervention models. Many of these districts have already implemented school improvement efforts in response to the requirements of the No Child Left Behind Act and may have used one or more of the specified reforms as part of their efforts to increase student achievement.

The information in this report is drawn from the responses of a nationally representative sample of school districts to a broader CEP survey on ARRA administered in the spring of 2010. Survey responses were weighted to allow us to draw conclusions for all districts in the 50 states based on this representative sample. More information about our ARRA survey is available at www.cep-dc.org in a Study Methods appendix accompanying this report.

This is CEP's third report on ARRA. The first, released in December 2009, focuses on state-level implementation. The second, published in July 2010, describes school districts' use of State Fiscal Stabilization Fund (SFSF) grants and the supplemental funding provided by ARRA for the Title I program and the Individuals with Disabilities Education Act. The second report contains additional information about districts' use of SFSF grants to provide supports and interventions to turn around low-performing schools; this activity is one of four reforms that states and districts must address to receive SFSF funding.

Key Findings

Several key findings about School Improvement Grants emerged from our survey:

- More than one-third of the nation’s school districts were unfamiliar with each of the four models, and few districts had implemented any of them.** A significantly smaller percentage of city districts¹ were unfamiliar with the models than were other types of districts; city districts may be more familiar with the models because they have more schools in improvement. Less than 12% of districts had implemented any of the models in one or more schools.
- Less than 12% of districts had received assistance from the state for each of the four improvement models.** This may be because states are assisting only those districts with the lowest-performing schools or have not yet spent their ARRA School Improvement Grant funds. More districts—although still a small minority—had received state assistance with the turnaround and transformation models than with the restart and closure models.
- Districts that implemented the models had varying degrees of success with them.** On our survey, districts could respond that the model had produced “positive results” or “unknown, mixed, or poor results.” For three of the models (turnaround, restart, and closure) there were no statistically significant differences in the estimated percentages of districts that had positive results and those that had unknown, mixed, or poor results. For the transformation model, however, roughly 91% of the districts that tried this model had positive results, while an estimated 9% had unknown, mixed, or poor results.

District Experience with the Four Intervention Models

As shown in **table 1**, more than one-third of the nation’s school districts were unfamiliar with each of the four required intervention models for improving low-performing schools. Less than 12% of districts had implemented

Table 1. Percentages of districts that were unfamiliar with school improvement models and percentages that had implemented the model

School improvement model	Districts unfamiliar with the model	Districts that had implemented the model
Turnaround	36%	11%
Restart	40%	1%
Closure	38%	1%
Transformation	38%	6%

Table reads: About 36% of districts were unfamiliar with the turnaround model of improving schools; about 11% of districts had implemented this model.

Note: The differences among the percentages in the “unfamiliar” column are not statistically significant. The difference between the turnaround model and the transformation model in the “implemented” column is not statistically significant; neither is the difference between the restart and closure models. The specific confidence intervals for the responses in this table can be found at www.cep-dc.org in appendix 3, *Confidence Intervals for School Improvement Survey Responses*.

Source: CEP Survey of Local Education Agency Use of ARRA Education Funds, spring 2010.

¹ Definitions for different types of districts are included in the Study Methods appendix at www.cep-dc.org.

any of the models in any of their schools, as the table also reveals. Some districts may be unfamiliar with the models and inexperienced with implementation because they have no schools that meet their state's criteria for low-performing schools. Other districts may need more information about the four models. The slight variations by type of model were not statistically significant.

We also analyzed the data on districts' familiarity with the school improvement models by the type of community the district served—city, suburb, town, or rural area. The only significant difference we uncovered was a greater familiarity with each of the four improvement models among city districts than among other types of districts. Specifically, the proportion of city districts that were *unfamiliar* with each of the improvement models ranged from about 3% for the transformation model to about 8% for the restart model. Among districts in suburbs, towns, and rural areas, the percentages unfamiliar with a particular model ranged from about 26% to 50%, depending on the model and type of district. We speculate that city districts had more low-performing schools and, therefore, had more information about the four models. There were no other significant differences by type of community served.

State Support for District Implementation of the Four Reform Models

States are charged with assisting districts in improving their lowest-performing schools and may reserve 5% of the state's total ARRA School Improvement Grant to use for state support for school improvement. As shown in **table 2**, less than 12% of districts received assistance from the state for any of the four school improvement models. However, significantly larger proportions of districts received state assistance with the turnaround or transformation models than with the restart or closure models. Our survey was conducted in the spring of 2010, so it is possible that states will provide more assistance to districts during 2010-11, when schools begin implementing the improvement models. It may also be that states have limited their assistance thus far to districts with the lowest-performing schools.

Table 2. Percentages of districts receiving state assistance for each required school improvement model

School improvement model	Percentage of districts
Turnaround	11%
Restart	1%
Closure	1%
Transformation	7%

Table reads: An estimated 11% of districts received assistance from their state with implementing the turnaround model for school improvement.

Note: The difference in percentages between the turnaround model and the transformation model is not statistically significant, nor is the difference between the restart and closure models. The specific confidence intervals for the responses in this table can be found at www.cep-dc.org in appendix 3, *Confidence Intervals for School Improvement Survey Responses*.

Source: CEP Survey of Local Education Agency Use of ARRA Education Funds, spring 2010.

Results for the Limited Number of Districts That Implemented the Models

Approximately 14% of districts have implemented at least one of the four improvement models in one or more of their schools. Our survey asked these districts about the results of their implementation. Districts could report that the model had “positive results” or “unknown, mixed, or poor results.”

Among the districts that had tried each model, we found no significant differences in the percentages of districts reporting positive results and those reporting unknown, mixed, or poor results for three of the models (turn-around, restart, and closure). One must remember, however, that only small percentages of districts had tried each of these models. For those that have, it may be too soon to see meaningful differences in results, especially in terms of student outcomes.

For the fourth model, the transformation model, we did find a statistically significant difference in results. Among the small share of districts (about 6%) that have implemented this model, roughly 91% had positive results, while an estimated 9% had unknown, mixed, or poor results. Here, again, it is important to note that these findings are based on the very small numbers of districts and schools that had implemented the models and that it may be too early to see changes in student achievement attributable to any of the models.

We also examined these data by the type of community served and found no statistically significant differences. In other words, districts serving different types of communities reported similar results for each of the four models.

Conclusion

Our national survey revealed that many districts were unfamiliar with the four school improvement models required for use of the ARRA School Improvement Grants. Only a small minority of districts had experience implementing one or more of these models. For each of the four models, fewer than 12% of districts received state assistance. Among districts that had implemented and seen results for the four models, there were no significant differences in the percentages experiencing positive results and those experiencing unknown, mixed, or poor results, except for the transformation model, for which more districts reported positive results. In all these analyses, it is possible that the percentages of districts are low because few districts have schools that meet their state’s definition of low-performing.

Examining the survey data by the type of community, we found one important difference among districts serving cities, suburbs, towns, or rural areas. Larger percentages of districts serving suburbs, towns, and rural areas were unfamiliar with the four models than districts serving cities were. We speculate that city districts have more low-performing schools and therefore may have more experience implementing the models.

As districts across the nation begin implementing the four models as part of their ARRA School Improvement Grants, it will be important to track and publicize their experiences so that other districts can learn more about improving low-performing schools. This tracking should include monitoring of which of the four models districts use, how states provide assistance with each of the models, and what results districts see from the models. In addition, this information should be disaggregated by district type to ensure that districts in towns and rural areas, in particular, are not disadvantaged in the supports they receive for the four models.

ARRA School Improvement Grants are not only a source of much needed funding for low-performing schools; they are potentially a means for gaining knowledge about how to assist and improve these schools. As a follow-up to this report, we plan to conduct a second survey in the winter of 2010-11 that will explore how school districts’ knowledge and implementation of ARRA has progressed.

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