

## How reform-friendly is Charlotte?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	8 of 26	18 of 25	N/A	11 of 25	1 of 26	22 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Charlotte and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Charlotte-Mecklenburg Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

*Our analysis of Charlotte was limited by a low response rate on the local stakeholder survey. This resulted in too few indicators to calculate a ranking for Charter Environment (see Appendix A for Methodology). Still, we include here information from the local responses that we did receive as well as publicly available data, national survey responses, and interviews.*

The education reform narrative of **Charlotte** illustrates the nuanced district-state relationship that is so key to education reform. Charlotte-Mecklenburg Schools (CMS) is at the forefront of reform in North Carolina, but the district is held back by state-level restrictions such as a too-tight charter cap. On the other hand, CMS finds some reforms eased by its location in one of a few right-to-work states considered in this study. It also benefits from a countywide district—Charlotte is but one city encompassed by CMS—that participates in a larger reform conversation not limited by Charlotte’s borders. While this

setup could engender discord between the city and school district, Mayor Anthony Foxx and Superintendent Peter Gorman are on the same philosophical page when it comes to education reform; indeed, Foxx has taken to the bully pulpit more than once to support some of the innovations emerging from Gorman’s office, which include efforts to attract and support talent.

### Race to the Top update: North Carolina—Charlotte

North Carolina applied for round 1 of Race to the Top funding and was chosen as a finalist, but ultimately did not win. The state reapplied for round 2 and was again chosen as a finalist. In advance of the competition, North Carolina passed legislation that creates a mechanism for local school boards to reform low-performing schools (according to the four turnaround models delineated in the federal School Improvement Grant program).

1. This profile provides a snapshot of the data collected for Charlotte, North Carolina, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

## Snapshot

Charlotte's **human capital** pipelines are decent. Local talent is available, though not abundant, and recruitment to the city is possible with a little effort. CMS—under Superintendent Gorman's leadership—has worked to attract outside talent. The district places Teach For America teachers and hosts its own principal certification program; it also welcomed New Leaders for New Schools in 2009. There is no teachers' union per se in CMS, and collective bargaining agreements are explicitly illegal; but a local professional teachers' association operates under a fairly flexible “handbook” which serves somewhat the same purpose (a statewide teachers' association is also located in Charlotte).<sup>2</sup>

Charlotte's **financial capital** pipelines are middling. The philanthropic communities, both national and local, have a positive influence on education reform efforts. CMS leadership is disciplined and proactive in seeking financial support for such efforts. Yet it does not have a coherent vision for spending its dollars; and despite the positive influence of private sector dollars, CMS per-pupil funding is none too generous.

The **charter environment** in Charlotte is poorly supported at the state level. North Carolina maintains a restrictive charter law, including a tight cap on the number of schools, inadequate charter funding, and insufficient attention to authorizer quality and practice.<sup>3</sup> Just 3 percent of public school students in CMS are enrolled in charters.<sup>4</sup>

Attention to **quality control** is fair in Charlotte. North Carolina operates an impressive longitudinal data system that can track teacher-student data, as well as outcome data across multiple years. The state also makes an effort to present data in a user-friendly manner.<sup>5</sup> Survey respondents report, however, that CMS is intermittent in its use of quality-control metrics to drive reform.

CMS gets top marks for **district environment**, though it had some help: A teachers' association that cannot bargain collectively is not much of an adversary. Besides that, however, district leadership deserves credit for communicating a sense of urgency about reform, and rewarding smart problem-solvers rather than time-servers. CMS leaders also make bold decisions on potentially controversial reforms—and have the political capital to make them stick.

Charlotte's **municipal environment** is likely better than its rank suggests. Low response rates for the local survey meant those data were not included, even though they were fairly positive—and other indicators had to carry more weight. The business, philanthropic, and media communities evince relatively strong support for reforms such as alternative certification, charter schools, and performance-based pay. In addition, municipal leaders such as Mayor Anthony Foxx have gone out on a limb for education reform and have been relatively successful in so doing. Yet North Carolina does not have a reform-oriented state-level education advocacy organization to partner with city leaders.

2. For more information, see: National Council on *Teacher Quality, Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

3. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

4. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Charlotte has much going for it. Between its countywide district configuration, strong district leadership, abundant financial capital pipelines, and a weak teachers' union, it is an appealing destination for some entrepreneurs. But not charter-school entrepreneurs, who should proceed with caution since they'll have to deal with unsatisfactory state charter laws.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.