

How reform-friendly is San Francisco?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	4 of 26	22 of 25	3 of 24	6 of 25	17 of 26	16 of 25

Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for San Francisco 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 San Francisco Unified School District.¹ 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).

Race to the Top Update: California—San Francisco

California applied for round 1 of Race to the Top funding and was not chosen as a finalist. The state reapplied for round 2 and was chosen as a finalist. In advance of the competition, California passed legislation that allows parents to petition for a change in the structure and leadership of a failing school; lifts the charter cap; links student data to teacher employment and evaluation; revises the state’s strategic plan for use of data; and establishes inter-district open-enrollment for students in a failing school or district.

Background

On the surface, **San Francisco** has everything an entrepreneur might desire: a deep local talent pool, established metrics to gauge the quality of services and pro-

grams, a thriving charter school sector, and business and philanthropic support for reform. In practice, however, entrepreneurs must jump through multiple hoops to get a foothold in this city, where the school system shows little urgency to reform itself, lacks funding, and is plagued by a resistant teachers’ union.

Snapshot

San Francisco’s **human capital** pipeline is filled with the young and talented.² National alternative certification pipelines abound: Teach For America’s Bay Area branch has operated for nearly twenty years, New Leaders for New Schools for almost ten, and the New Teacher Project runs a nearby Oakland Teaching Fellows program. The city is also a hotspot for entrepreneurs in a variety of industries. Unfortunately, this talent doesn’t always make it into San Francisco Unified School District (SFUSD): Inefficient hiring routines and “last fired, first hired” policies favor veteran teachers over new ones.

1. This profile provides a snapshot of the data collected for San Francisco, California, in fall 2009. For the full data, see http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform.

2. The 2000 Census reported an average age of 36.4 in San Francisco.

Like most of California, San Francisco suffers from a shortage of **financial capital**, exacerbated by the state's budget crisis. SFUSD's per-pupil expenditures normed for the cost of living are lower than any other primary school district in this analysis. Still, SFUSD does spend its own money on nontraditional education tools and programs, and both local and national foundations help to fill in funding gaps. Yet nontraditional endeavors struggle to find funding from both the public and private sectors. Shortages drive demand, and both are ubiquitous in the Golden Gate city.

The **charter environment** thrives here. California charter law holds charter authorizers responsible for maintaining high-performance expectations and for making transparent renewal, nonrenewal, and revision decisions based on the results of a variety of data.³ Local charter support is strong, too. SFUSD, the largest local authorizer, is highly selective in awarding charters and actively seeks to improve its low-performing charters; the California Charter Schools Association even awarded SFUSD its "Authorizer of the Year" in 2009.⁴

San Francisco has strong **quality-control** metrics in place, but they do not necessarily drive reform. California's state data system is expansive: The state collects robust student-level data and can match individual student performance to classroom teachers. But the state falls short of linking data across indicators, building data repositories, or promoting awareness of available data.⁵ Thus, its rich reservoir of data remains inadequately tapped at the local level: San Francisco's district and municipal leaders do not use data to make real-time adjustments or to aid in the establishment of nontraditional programs.

San Francisco's **district environment** is open to reform but lacks bold leaders to advance it from within. The district culture is often aloof to smart problem-solvers. A powerful teachers' union resists alternative certification, charter schools, and performance-based pay. Still, SFUSD boasts partnerships with the NewSchools Venture Fund, Envision Schools, KIPP, and the alternative human capital programs listed above, in addition to a partnership with The New Teacher Project to evaluate its teacher hiring, assessment, and evaluation policies. Entrepreneurs with enough gumption may be able to make inroads.

Support for nontraditional providers is evident but not overwhelming in San Francisco's **municipal environment**. The business and philanthropic communities are somewhat willing to expend political capital to advance reforms such as alternative certification, charter schools, and performance-based pay. The mayor takes a more ambivalent approach, although he has little influence over the school system. The editorial pages of the *San Francisco Chronicle* and other media outlets are ambivalent about reform as well.

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. "San Francisco Unified School District Awarded 'Charter School Authorizer of the Year,'" *Business Wire*, March 12, 2009, <http://www.allbusiness.com/education-training/education-systems-institutions-primary/11811733-1.html>.

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 and http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf.

Bottom Line

San Francisco presents both opportunities and obstacles for nontraditional start-ups. Though the district lacks a sense of urgency towards reform—and the funds to adequately support reform—entrepreneurs venturing to San Francisco will find external supports and lots of talent.

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.