
Performance Measurement and Reporting at Portland Public Schools

A report by the District Performance Auditor
April 2012

**PORTLAND PUBLIC SCHOOLS
PORTLAND, OREGON**



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District Performance Auditor

MEMORANDUM

To: Board of Education

From: Richard C. Tracy, District Performance Auditor

Date: April 2012

Re: **Performance Measurement and Reporting** - Performance Audit

Attached is my audit report on Performance Measurement and Reporting at the Portland Public School district. I performed this audit in response to the 2011-12 Performance Audit Plan approved by the School Board.

I would like to thank the District management and staff for their assistance and cooperation in conducting this audit.

I look forward to meeting with you at upcoming Board and committee meetings to more fully discuss the report's findings and recommendations. Thank you for your ongoing support of performance auditing.

cc:
Carole Smith
Zeke Smith
Jollee Patterson

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SUMMARY.....

SUMMARY

Over the past two decades, school districts around the country are placing more emphasis on measuring and reporting on school performance. Much of this effort is the result of increased accountability demands from federal and state governments through the implementation of the federal ESEA and the No Child Left Behind legislation. School districts are also responding to school reform initiatives sponsored by various organizations including the Council of the Great City Schools, the

address this lack of capacity include adding new resources, shifting funding from existing programs, or slow but incremental development over several years. I make several recommendations on page 27 of this report.

INTRODUCTION

Measuring and reporting on the performance of publicly funded programs has

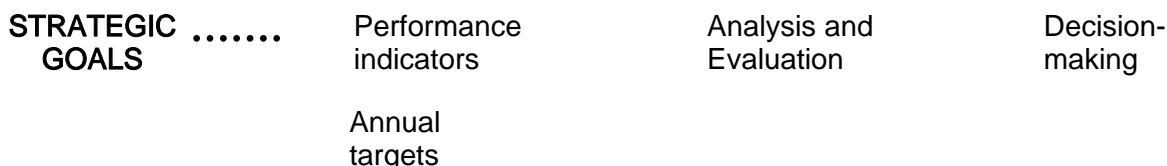
makers in order to support organizational planning, funding, and service delivery.
Performance measures provide the necessary information to assess progress, report on

- Monitoring and evaluating results to determine if progress is made in achieving the goals and objectives, and
- Modifying program plans to enhance performance

Performance measures are also used to prepare internal and external reports. These reports provide a basis for decision-making and for ensuring transparency and accountability to higher management, policy makers, and the public.

Strategic planning and performance measurement. The fundamental element of a performance management system is a planning phase that establishes organizational or program mission and selects a limited set of goals and priorities to pursue. The goals should be forward-looking, measurable, and provide the basis for strategies that will be pursued.

Organizations develop performance measures to provide a basis for assessing progress in achieving the identified goals and strategies of the strategic plan. Performance measures provide feedback information on the degree to which the organization or program is achieving goals and meeting targets. The measures are indicators of success or failure but do not provide insights into why strategies are working or not working. Additional analysis and evaluation are needed to provide information to modify and adjust strategies and approaches to service delivery.



Measuring and reporting on school performance

The federal Elementary and Secondary Education Act (ESEA) legislation has had a profound impact on how state and local education agencies measuring and report on performance. The passage of the No Child Left Behind legislation in 2002 established a goal of ensuring that all students be proficient in reading and math by 2014 and required each state to establish annual progress targets – called Adequate Annual Yearly Progress (AYP). State education agencies established standardized exams and initiated reporting systems to communicate student progress in reading, math, and other aspects of school performance such as graduation rates. Schools receiving federal funding that failed to meet AYP targets are subject to a series of federal mandated interventions.

Best practices at local school districts. Several local school districts around the country are recognized for their excellence in managing school performance and implementing noteworthy performance measurement and reporting systems. The following are three case examples of these local school districts particularly highlighting some of their performance measurement and reporting practices.

Charlotte-Mecklenberg Schools – North Carolina

- Comprehensive strategic plan guides the district
- Defined Theory of Action: Managed Instruction with Freedom and Flexibility at the school level
- Two key goals – Improving Teaching and Managing Performance
- Six areas of focus receive priority for time, people, and money
- Each focus area has measures of success and defined strategies
- Accountability system: School Progress Reports (quantitative), School Quality Reviews (qualitative), and School Improvement Plans (process) measures

Montgomery County Public Schools – Maryland

- Multi-year strategic plan – A Call to Action – first created in 1999
- Cyclical strategic planning process: plan, do, study, act model
- Clear mission, vision, goals, and Board priorities
- Student achievement performance targets for the next five years
- Budget and strategic plan are aligned
- Set of strategic initiatives to achieve each of the five district goals
- Performance indicators (milestones) for each goal – defined data source for each indicator
- Seven keys to college readiness – leading indicators predicting success

Austin Independent School District - Texas

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Performance measurement and reporting at Portland Public Schools

Portland Public Schools has a variety of mechanisms that are currently used to measure and report on school district performance. The major elements are illustrated and describe below.

Adequate Yearly Progress Report. Mandated by federal law, the annual AYP report produced by the Oregon Department of Education determines if the district and its schools made adequate progress in reading, mathematics, graduation rates, attendance and other targets in accordance with requirements of the NCLB legislation. District and school reports are available on the ODE and PPS websites.

School and District Report Cards. An annual report by the Oregon Department of Education mandated by state legislation provides parents and the community with information on how local schools are performing. The report rates schools as either “Outstanding”, “Satisfactory”, or “In Need of Improvement” based on a number of factors including student test results, participation, and academic growth. The report compares PPS performance to state and national averages in several categories. Report is available on ODE and PPS websites.

Milestones Framework. Annual assessment prepared by Portland Public Schools that evaluates the district’s success in preparing students for success at the next grade level and beyond. The assessment focuses on five critical measures (“milestones”) at key transition points in grades K-12 that are predictive of success at the next level of schooling and high school graduation. Milestones Assessments are available on the PPS website.

Annual School Profiles and Enrollment Data. Annual report by PPS that provides comprehensive historical data on *student enrollment* (by program, grade level, and ethnicity), *school characteristics* (budget, student make-up, class size, average daily membership, discipline data, teachers experience, etc.), *neighborhood attendance patterns*, and individual *school profiles* for each PPS school based on these data. The

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priorities for the five-year period. The 2011-16 plan is in draft and is awaiting final

Audit objectives, scope, and methods

This audit had one primary objective: to evaluate the performance measurement and reporting practices of the Portland Public Schools. To conduct this evaluation I pursued four sub-objectives:

- To compare PPS to national best practices for school district performance measurement
- To assess the relevance and reliability of the Milestones indicators
- Review progress of strategic planning efforts, and
- To identify opportunities to strengthen PPS efforts to plan, measure and report of district performance

To address these objectives, I interviewed PPS executive management, managers and administrators, PPS Research and Evaluation staff, and Budget and Finance Office officials. I also interviewed former PPS employees involved with strategic planning, evaluation, and performance planning. I reviewed various studies and reports on the topic of performance measurement and reporting, and identified school districts with noteworthy practices in performance management. I evaluated documents produced by the district to develop the last two strategic plans. I also review district policies and procedures for preparing and reporting performance information.

I performed this audit in accordance with the 2011-12 Audit Plan approved by the PPS School Board. Fieldwork was performed from November 2011 through January 2012. Report writing and processing was performed from February through March of 2012.

I conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. I believe the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives. I have implemented an internal quality control process to ensure standards are met but have not undergone an external quality review as required by standards.

AUDIT RESULTS

The Portland Public School district has produced significant information over the past ten years to strengthen accountability, assess performance, and improve internal decision making. Some of the district's performance measurement and reporting efforts are similar to noteworthy national models including conducting strategic planning, establishing organizational priorities, and creating a set of performance metrics to track student outcomes. In particular, the Milestones Framework provides a strong foundation of information to predict the success of students at various stages in the journey from kindergarten through high school. The Milestones Framework will also be an integral part of two new but complimentary performance measurement efforts at the county-level (Career to Cradle) and state-level (Achievement Compacts).

I also found that the PPS could strengthen their performance measurement and reporting practices in several ways.

- Finalizing the 2011-16 strategic plan David's Iludieard

PPS compared to best practices

My review of literature on performance management and school district reform identified a number of local school districts that are recognized for employing noteworthy practices to measure and report on school performance. While some school districts focus on student outcome, others have developed extensive measurement processes for their business services. I also identified districts that have a more comprehensive approach to managing performance, improving student achievement, and pursuing service efficiencies. The following discusses the major

revising strategies that are not working as intended. While there are some reporting and monitoring processes in place (see page 8), it was difficult to determine if they provide sufficient transparent, tangible, and usable information for decisions and accountability. Existing monitoring helps improve communications and ensures information is shared, however, I could not verify that these meetings result in actions to reward success or sanction failure. More standardized monitoring and reporting processes could keep the organization focused on key goals and strategies and the progress in meeting targets.

Performance Measurement Systems: Best Practices Compared to PPS

ELEMENTS	Charlotte-Mecklenberg Schools	Montgomery County Public Schools	Austin Independent Schools	Denver United Schools	Portland Public Schools
Current Strategic Plan	9	9	9	9	draft form
Clear goals and priorities	9	9	9	9	9
Student outcome measures	9	9	9	9	9
Operational/fiscal efficiency measures	9	9	9	no	Under development
Delivery strategies linked to goals/priorities	9	9	no	9	9
Annual performance targets	9	9	9	9	9
Budget reflects focus on key goals/priorities	9	9	9	9	9
Progress monitoring tools	9	9	9	9	partial
Formal process to review/revise strategies	9	9	9	no	partial
Internal and external reporting	9	9	partial	9	partial

Milestones Framework: A strong foundation

Beginning in 2008-09, PPS initiated the Milestones Framework. The purpose of the Milestones Framework is to determine how well the district is preparing students for success at various stages so that they can graduate on time and are prepared for college, career, and citizenship. Milestones Framework involves collecting and evaluating specific performance information at five key stages or “milestones” in the path from Kindergarten to high school graduation. The Milestones measures are viewed as good predictors of future academic success or, conversely, an early warning of academic problems that should be addressed if students are to graduate on time. Each Milestone provides a checkpoint to evaluate how well students are progressing through school – success at one stage should be a good indicator of success at the next stage. The Milestones Framework is the district’s primary tool for measuring performance and evaluating the success of all students.

The graphic below illustrates the Milestones Framework and the five critical stages on the road to high school graduation where the Milestones measures are collected.



DESCRIPTION OF THE MILESTONES INDICATORS

The following describes the five Milestone stages and the performance measures, data sources, and targets associated with each Milestone.

1. Ready to Read: Enter First Grade Ready to Read

Performance Measures:

1. Percent of students meeting fall of First grade literacy benchmarks (Letter name, letter sounds, phonemic awareness)

Data Source: Dibels assessment tests and other testing by schools using a similar approach to Dibels. All schools testing for past two years

Targets: Currently no targets. The district is collecting and assessing multi-year data on this milestone prior to setting goals and targets.

2. Reading to Learn: By the End of Third Grade Exceed Reading Benchmarks

Performance Measures:

1. Percent of students exceeding third grade reading benchmarks.

Data Source: Oregon Assessment of Knowledge and Skills (OAKS) administered and reported by the Oregon Department of Education

Targets: ng ben12e6(40w)5.8(a)TD [(data on 403.32 Tm (Dc Tw (1.)Tj /TT2 1 Tf 0.832

On Track to Graduate: Enter 10th Grade Passing Core Subjects and With Sufficient Credits to Graduate on Time

Performance Measures:

1. Percent of students with 6 or more credits in core subjects at a C or higher in fall of 10th grade.

Data Source: PPS Electronic Student Information System

Targets: 5-percentage point annual increase for all students. Five percentage-point annual reduction in the achievement gap between African-American students and white students.

4. Graduate HS on Time, Ready for College and Work

Performance Measures:

1. 12th grade four year graduation rate
2. % of students scoring at college ready level on 3 of 4 ACT tests

Data Sources: PPS Electronic Student Information System. ACT test scores

Targets: No targets

VALIDITY AND PREDICTIVE VALUE OF MILESTONES

The underlying principle for the Milestones Framework is the belief that the individual measures have value in predicting how well students will succeed at the next level of school. For example, entering first grade ready to read is predictive of how well students will achieve Reading test benchmarks in 3rd grade. Based on my interviews and review of research, there is evidence supporting the predictive value for most of the measures but

OTHER STATE AND REGIONAL EFFORTS WILL IMPACT THE PPS MILESTONES FRAMEWORK

Two other major efforts currently underway in the region and the state may modify the definitions of certain milestones and perhaps increase the number and type of measures used by the district to define student success. The two efforts are the Cradle to Career initiative administered by All Hands Raised (former Portland Schools Foundation) and the proposed Achievement Compacts sponsored by newly created Oregon Educational Investment Board. PPS has been very influential in shaping the direction of both these efforts bringing knowledge to the discussion of how to identify performance measures and report to the public.

Cradle to Career (C2C). The C2C initiative is funded and supported by a number of public and private organizations in the Multnomah County region and is administered by All Hands Raised. It is designed to address three priorities for children and youth in Multnomah County:

- Removing disparities in success
- Linking community and family supports, and
- Ensuring every child enters school prepared to learn.

While still in the planning and development phase, C2C will establish public and private collaboratives to address these priorities. A number of academic and social indicators will be developed and tracked to determine progress in achieving five primary goals:

- Be prepared for school
- Be supported in and outside of school
- Succeed academically
- Enroll in postsecondary education or training
- Complete College/Training, and Enter a Career

While C2C has a broader measurement mandate than PPS, C2C will likely adopt a number of PPS Milestones that will serve as common metrics for other schools in Multnomah County. A C2C data team is currently reviewing existing school performance metrics and developing common definitions and data sources for all participants to use. Final decisions on C2C school performance indicators may change or modify the current

PPS Strategic Plan partially completed

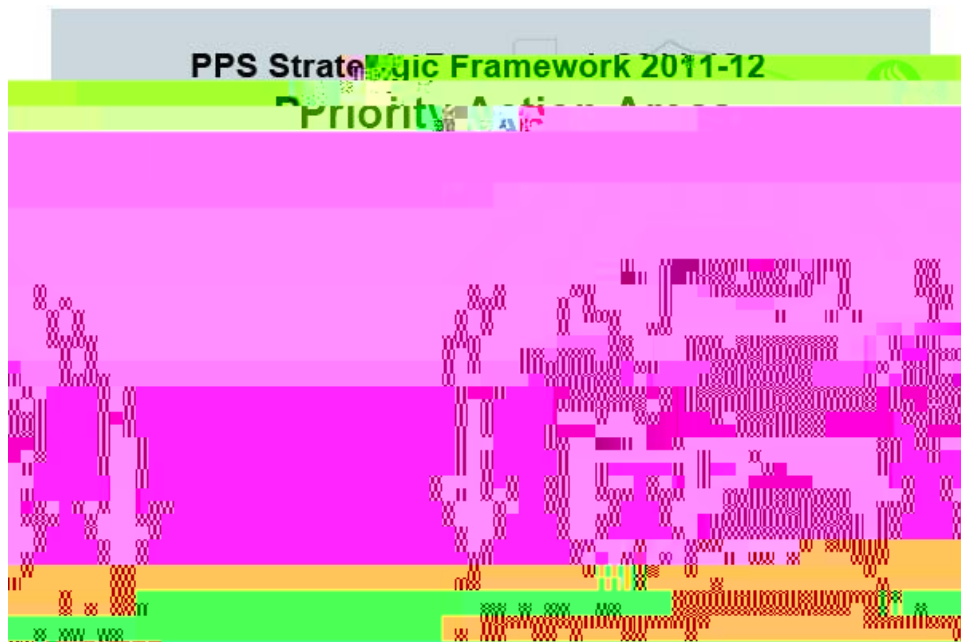
The district has not yet completed their new strategic plan for the 2011–2016 time period. Although initially planned for completion in 2011-12, several factors delayed completion including efforts to plan and pass a bond measure for school modernization in 2011. The addition of two new school board members and the loss of key staff managing the strategic plan effort also slowed its development and completion.

- Rather than a mission statement, the PPS strategic framework has a single goal statement – “Every student by name is prepared for college, career and participation as an active citizen, regardless of race or class”. The district could convert this single goal statement into a mission statement that would serve as the district’s underlying reason for being and form the basis for a set of goals. The statement might read – “To prepare every student, regardless of race or class, for college, career, and active citizenship.”
- Most strategic plans identify four to six goals that flow from the mission statement. PPS identifies four strategic priorities that appear to have some of the characteristics of goals but the district does not state them in ways that are forward looking and measureable. For example, the strategic priority “Effective Educators” could be stated as a goal – “To ensure every classroom has an effective educator supported by effective administrators and support staff”. Measurements of an “effective educator” could include skilled in helping students achieve benchmarks and reducing achievement gaps, demographically diverse, and culturally competent.
- The Milestones are the key performance meas

- The “Foundational Elements” appear to be important elements of the Strategic Framework but are not classified as goals or strategic priorities of the district. Due to their vital importance to the delivery of educational services at the district, they may warrant elevation to goal statements or priority strategies.

DISTRICT STRATEGIC PRIORITIES GUIDE ACTION AND BUDGETING

Despite the partially completed plan, several board work sessions over the past year have produced a set of strategic priorities that have been instrumental in guiding district efforts and allocating budget resources. I found that the district uses these priorities to monitor and report on district efforts and to make decisions on how to allocate scarce resources. The graphic below illustrates these priority action areas for 2011-12.



Progress reporting and monitoring. Over the past several years, the district has taken significant strides to develop and use performance data to manage the activities of the district. The district’s strategic priorities provide a framework for progress reporting and monitoring at the Board level and at various management levels of the organization from the executive level through the school building level. While still in the first years of this multi-year improvement plan, some of the progress reporting and review practices that have been put in place include:

- *Monthly Superintendent’s Report to the Board of Education*– Written monthly report to the PPS Board of Education. Organized by strategic priority area

Additional actions to improve performance measurement and reporting

PS is making significant progress in developing and implementing systems to manage performance. Consistent with the overall goals of the district, management is currently placing emphasis on measuring, monitoring, and reporting on student academic performance. For example, the Milestones data provides

information to their respective communities. To the best of my knowledge, no public school district is using

RECOMMENDATIONS

In order to improve performance measurement and reporting practices at PPS, the Superintendent and the School Board should take the following actions:

1. **Finalize the District Strategic Plan.** In view of the lateness in the school year, the district may wish to develop a new plan for the 2012 – 2017 time-period. This new plan should build off of prior planning work with a focus on the following:
 - a. Confirm and clarify the mission of Portland Public Schools
 - b. Identify a limited number of measureable and forwarded looking goals. The current strategic priorities could be the basis for these goals.
 - c. Establish a set of performance measures on business and financial operations to complement the existing Milestones on student achievement.
 - d. Identify the strategies that the district will use to achieve each of the goals of the district.
 - e. Establish formal processes to monitor and report on the status of strategies and the accomplishment of goals.

2. **Confirm the validity and improve the reliability and consistency of a few of the Milestones indicators.** The district should evaluate a few of the existing Milestones measures – 7th grade writing and 8th grade algebra – to confirm that they are valid predictors of success at the next school level. In addition, the district should strive to improve the reliability and consistency the milestones data to ensure reported information is complete, understandable, and credible.

3. **Improve processes for monitoring and reporting on district performance.** The district should consider developing additional performance indicators on service efficiency and financial condition to strengthen accountability to the community. The district should also consider establishing formal monitoring and reporting processes once or twice a year to review progress, assess performance, and initiate improvements. The district should also consider issuing a brief annual tm.4(e)0ccounmv(T0.8

MANAGEMENT RESPONSE



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Carole Smith
Superintendent

OFFICE OF THE SUPERINTENDENT

April 24, 2012

Richard C. Tracy, District Performance Auditor
Portland Public Schools Board of Education
501 N. Dixon Street
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Dear Mr. Tracy,

Thank you for your work reviewing performance measurement and reporting at Portland Public Schools. I appreciate the way you have highlighted the progress we have made in this area while giving concrete and insightful recommendations for how to proceed. While we recognize that there is still work to be done, we have made tremendous strides in this area in the last three years and have been out in front of these initiatives across the state. Beginning with our Milestones Framework in 2009 and the Board's affirmation of the 2011-12 strategy,

In developing the milestones, we looked at a number of districts' frameworks, including Montgomery County, Charlotte-Mecklenberg, and St. Louis Public Schools. This is our third year of committing to targets for three of our milestones. The district-wide target (5 point gain for a 15 point narrowing of

APPENDIX A

Performance Measurement Literature and Research

A Performance Measurement Framework for State and Local Government: From Measurement and Reporting to Management and Improvement National Performance Management Advisory Commission 2010

Holding Schools Accountable – Performance-Based Reform in Education Helen E. Ladd, Editor

