



# new schools minnesota

A state-level initiative to improve student learning and increase the fiscal sustainability of public education by creating new and fundamentally different public schools

One key goal is to approximate charters on autonomy, accountability, fiscal equity, sustainability

## 2009 Legislation Authorizes New Type of Public School

The 2009 Minnesota Legislature passed legislation authorizing creation of a new type of public school dubbed "Site-Governed Schools." They incorporate a number of the autonomy, accountability, flexibility and sustainability features of chartered public schools. But, they must be approved by district school boards. Their teachers remain district employees and teachers union members. And they are subject to parts of the district master contract that aren't explicitly waived through agreements between the district board and their union.

Districts and unions in other states are creating similar schools. But it's generally been done through the collective bargaining process or a mayoral or superintendent initiative – thus are subject to changing local politics or leadership. Like chartering, Minnesota's in-district new school program is created by state law, applies statewide and waives the same state laws and rules waived for charters. Longer-term, it's also intended that qualifying in-district new schools will receive planning and start-up funding comparable to federal/state start-up grants provided charters.

The legislation authorizing Site-Governed Schools was part of a package developed by EducationEvolving (EIE) and others to strengthening chartering and create other new ways of encouraging creation of new, fundamentally different public schools in Minnesota. The changes include major changes designed to improve the capacity, performance and accountability of the organizations that authorize and oversee charters. Those changes included an EIE proposal to create up to three "Single-Purpose Authorizers – new non-profit organizations whose sole mission is to grant and oversee charters. (See summary below of the most significant "new schools" initiatives that were enacted this session.)

The legislation authorizing "Site-Governed Schools" was developed by EIE in partnership with the Minneapolis Federation of Teachers. The

Minneapolis School District also testified in favor of the bill, as did the Minnesota Business Partnership and a number of leading superintendents and other education policy leaders.

The bill had bi-partisan support in the Legislature and was authored or co-authored by several teacher legislators, including three who have held top leadership positions in local or state teachers unions. Creation of new, innovative district schools also enjoyed strong support from Governor Tim Pawlenty and Education Commissioner Alice Seagren.

The new law allows new or conversion district schools that operate under a combination of site-specific, multi-year, renewable agreements with their District Boards. These agreements may be terminated or not renewed only "for cause." Other features of the law include waivers from parts of the master contract that may be agreed to by the District Board and Union, the same waivers from state law that now apply to charters and annual work agreements that commit teachers to the unique mission and governance and operations of each school.

Within these legal parameters, Site Governed Schools are free to select their teachers (drawing first from applicants in the District pool), determine their learning program and appropriate assessments, set their budgets based on the revenues their students bring to the district, determine how they are to be governed and set their hours, number of days in the school year and other operational details that match their learning program and student needs.

Beyond basic District governance and administrative services, SGSs decide which services to purchase from their District or outside sources. The original legislation included state planning and start-up funds – like charters receive. But only operating funding was included in the final bill in deference to the state's current budget deficit. Supporters of SGSs are seeking planning and start-up funding from other sources, including federal public school choice or magnet programs, general district revenues, foundations and other private sources and federal economic stimulus funding designated for K-12 innovation..

### Mpls. district, union, teachers, parents already working on SGS designs

Minneapolis Public Schools, the Minneapolis Federation of Teachers, district teachers and parents have already launched an initiative to design and seek approval of the district's first Site Governed Schools. EIE is providing contracted support for this initiative which is being overseen by what is called the "Bridge Committee" – a group with equal representation from the District, union and parents and community.

The State Department of Education provided a \$100,000 grant to finance an initial round of planning grants and technical assistance to help groups of MPS teachers develop detailed Site Governed Schools

#### Landmark 'new schools' initiatives enacted by the Minnesota State Legislature in 2009

- Expanded authority for districts to create new, more autonomous district schools
- Expanded role for teachers and unions in creating new, fundamentally different district schools
- Expanded oversight role for charter authorizers
- New authorizer oversight and accountability role for State Department of Education
- Authority to create up to three new non-profit authorizers that have approving and overseeing charters as their only purpose
- First steps toward creating new, state-level, non-governmental focus for new schools policies and support

proposals. Seven letters of intent seeking these grants were submitted and four approved. Detailed proposals from prospective school developers, either receiving or not receiving planning grants, will be submitted to the Minneapolis School Board this fall. If approved, the first MPS Self-Governed Schools will open in the fall of 2010.

## Growing interest in 'new schools' begs discussion on benchmarks for autonomy, accountability, other key factors

In addition to Minneapolis, consideration and passage of Minnesota's Site-Governed Schools legislation has sparked interest in creating or converting new district schools among districts, teachers, parents and others throughout the state. Some districts have also decided to proactively expand local school choices through chartering.

This growing interest in district new school creation – and the potential for new or expanded state/federal start-up funding makes it critical that policy leaders and private funders ensure that the underlying goals of creating new, fundamentally different schools are met.

It seems prudent, for example, to develop benchmarks that qualify eligible schools for federal or state start-up funding. The goal of these benchmarks would be to ensure maximum autonomy, accountability, fiscal equity and long-term sustainability for all public schools. The benchmarks would be included in authorizing legislation and enforced through multi-year, renewable contracts negotiated with their districts or other authorizer.

EducationEvolving is now developing a matrix that's intended to help stimulate discussion on what these benchmarks should include and which should be "deal breakers" in state laws, contract provisions and start-up funding eligibility.

## Exemptions from state law will apply to Minnesota's new Site-Governed Schools

Minnesota's new Self-Governed Schools within districts are exempted from the same state laws and rules as are chartered schools in states where there is chartering authority. Because the teachers remain district employees under a master contract, the sole exception is that Self-Governed Schools must comply with the same laws regarding public employees as do traditional district schools.

Although Minnesota's blanket waiver for charters (and now SGSs) is quite broad, the state's charter law:

- Makes it clear that chartered schools are public schools and are part of Minnesota's system of public education. This is important for a number of reasons, one of which is to clarify that chartered schools are part of the state "uniform system of public education" specified in the Minnesota Constitution. It is intended that same statutes would apply to Self-Governed Schools. (Note: This does not apply to federal law or regulations, although that may be a logical goal worth pursuing.)
- Minnesota law provides for charters to follow all of the "graduation standards" rules of the commissioner. So, the same provisions apply to Self-Governed Schools within districts.

Minnesota's charter law then proceeds to specify which laws and rules chartered schools must adhere to (and as a result, which ones are not waived). For example, charters (and SGSs) must:

- Comply with all state and local health and safety laws and state learning standards/testing required of traditional district schools; be non-sectarian; not be used to generate public revenue for students who are home-schooled; and meet the minimum number of school days.
- Provide a comprehensive instruction program for at least one grade or age group 5-18, but may provide instruction to pre-5 year olds and post 18 year old students; may not charge tuition; follow equal educa-

tion opportunity statutes and the pupil fair dismissal law for suspensions/expulsion; and must follow district-required accounting/audit rules.

- Must follow statutory operating debt procedure, be treated as a district for tort liability purposes, comply with all special ed laws/ rules and procedures and employ only properly licensed teachers

Finally, it's important to note some of the key statutes chartered schools in state's like Minnesota are *not* required to follow would also not apply to Self-Governed Schools. Such statutes include:

- Revenue is not restricted to specific categories; maximum flexibility in use of funds; no restriction on when the school year may begin or end; no obligation to follow most state department regulations;
- No obligation for numerous plans "as required by the commissioner" that get written into laws; and flexibility in determining how transportation services are paid for and in the qualifications required of school leaders – depending on the leadership model that is selected.

## Non-governmental leadership, support also essential to new school creation

Whether within districts or through chartering, creation of fundamentally new and different schools will require a significant expansion in non-governmental support and assistance. EIE has proposed that this support – and overall leadership -- include a new non-profit state-level leadership organization, which EIE suggested by called "New-SchoolsMinnesota. Initial steps in creating such an organization were also taken by the 2009 Legislature. This and other support includes:

- Conduct ongoing research to identify unmet student needs and fiscal challenges that might be addressed by creating new fundamentally different schools or other related policy changes
- Provide outreach/recruitment of new schools developers and identify strong, proven learning models for importing into the state or replication within the state
- Provide technical assistance and training for school operators in developing strong governance and management systems, as well as other aspects of school operations.
- Facilitate the contracting of ongoing functions and services, including services provided by existing districts and unions; Research/make recommendations on policy issues relating to facilities financing, uses of technology, special education, transportation and others
- Promote partnerships and collaborations between newly created public schools and non-profit organizations, local governments, private business and others; and, identify and secure funding for new school development, infrastructure and policy development.

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