

"A Decidedly Mixed Bag:"

Academic Outcomes in Colorado's Innovation and Innovation Zone Schools



Table of Contents

Summary	3
Introductory Context	4
Types of Innovation Schools in Colorado	6
Sidebar: School Types and Autonomies in Colorado	8
Academic Performance of Colorado's Innovation Sector	9
How well did Colorado's innovation and innovation zone schools support students overall on specific academic measures, relative to district- and charter-managed schools, in 2022-2023?	10
What is the relationship between economically disadvantaged student population and performance in Colorado's innovation and innovation zone schools in 2023?	13
How well did Colorado's innovation and innovation zone schools support Black and Hispanic students, and students experiencing poverty, on specific academic measures, relative to district-managed and charter schools, in 2022-2023?	14
Policy and Research Questions	18
Is innovation an effective tool for turnaround?	18
Are there barriers to innovation implementation?	18
What benefits, and risks, might state- or district-directed innovation planning present?	18
Should CDE's annual report on innovation include a broader swath of "success" measures, academic and otherwise?	19
What are the appropriate accountability structures and flexibilities for supporting zone nonprofit organizations?	19



Summary

The Innovation Schools Act of 2008 (ISA) requires the Colorado Department of Education (CDE) to submit to the Governor an annual report summarizing the demographics of students being served in innovation schools and zones statewide, providing key autonomies granted, cataloging performance by each innovation school over time, and recommending any desired legislative changes.¹

CDE uses School Performance Framework (SPF) ratings as the sole measure of school academic performance in its report. This document rounds out CDE's information with specific state testing results (Colorado Measures of Academic Standards or "CMAS", and Colorado SAT or "PSAT/SAT") outcomes from the 2022-2023 school year and does so on a disaggregated basis for Black and Hispanic students² and those experiencing poverty, as measured by qualification for free or reduced lunch ("FRL".)

At best, Colorado's innovation sector produced a decidedly mixed bag of results based on these measure. In some areas, the results these schools created for students were truly subpar, as compared to outcomes generated by district-managed and charter schools across the state. Moreover, the holistic data story here indicates quite clearly that all public schools in Colorado, regardless of type, must improve their collective service to students significantly, and with urgency.

This report opens with introductory context that delves into the history of the ISA and a brief overview of innovation schools now operating in Colorado, before digging into findings related to academic outcomes these schools created for students in 2022-2023. The report concludes with a set of policy and research questions raised by the findings.

¹ https://www.cde.state.co.us/choice/2021innovationreport

² Keystone is employing the demographic labels used by the State of Colorado in this report, although it recognizes important evolving thinking related to naming conventions.

Introductory Context

When the Colorado legislature passed the ISA in 2008, it sought to advance "high-quality public education throughout the state." After passage of the federal No Child Left Behind law in 2001, standardized testing and its disaggregated results revealed quite clearly that public schools were not serving all students well, especially students of color, students experiencing poverty, students whose home language was not English and students with individualized education plans.⁴

At the time, some in Colorado were explicitly questioning the efficacy of districts' historical method of operating public schools – a top-down, centralized and uniform approach, in which nearly all decisions were made at the district level and then pushed

When the Colorado legislature passed the ISA in 2008, it sought to advance "high-quality public education throughout the state."

down to schools to implement. Large districts, especially, tended to change at a glacial pace, if at all, given their highly bureaucratic and self-perpetuating nature. Meanwhile, the lived reality in schools necessitates an ability to act nimbly in response to evolving and emerging needs among students, families and staff. Moreover, innovative approaches being piloted elsewhere in the nation were proving more effective than the "one size fits all" approach districts had employed with their schools for decades, if not centuries.

In Boston, for example, lackluster performance and the advance of charter schools locally led to the creation of "Pilot Schools" in 1994. These district schools were granted "maximum flexibility to create challenging learning environments ... [through] charterlike autonomy over budget, staffing, curriculum, governance, and time."⁵ By the early 2000s, research showed clearly that Boston's Pilot Schools produced strong results for students on academic measures, as well as indicators for engagement, and had become "among the top performing of all Boston Public Schools."⁶ Notably, these schools served students of comparable demographics to other district schools, and teachers employed in them remained within local bargaining units.⁷

Inspired by successes like those seen in Boston, the Colorado legislature created a pathway for district schools across the state to obtain and leverage the "maximum degree of flexibility possible to meet the needs of individual students and the communities in which they live." The ISA centered school-level freedoms in areas similar to those that had proven essential in places like Boston – "school staffing; curriculum and assessment; class scheduling; use of financial and other resources; faculty recruitment, employment, evaluation, and compensation." The ISA empowered schools to waive out of related district policies and state statutes, as well as elements of collective bargaining agreements when supported by a supermajority of educators covered by those agreements in a school (at least 60%). Schools also must provide replacement policies for items for which they secure waivers, to ensure original intentions are met, even while implementation looks different.

At its essence, the ISA embraced the radical idea that those closest to students – educators and administrators in a school, not district or state policymakers – should make the vast majority of decisions about what goes on in their specific school, so that a school's programming can be fully and uniquely tailored to meet the evolving needs and interests of the students and families the school actually serves.

³ Colo. Rev. Stat. § 22-32.5-102 (1)

⁴ See generally: https://georgewbush-whitehouse.archives.gov/infocus/bushrecord/factsheets/No-Child-Left-Behind.html

⁵ https://files.eric.ed.gov/fulltext/ED509785.pdf

⁶ https://files.eric.ed.gov/fulltext/ED509785.pdf

⁷ https://files.eric.ed.gov/fulltext/ED509785.pdf

⁸ Colo. Rev. Stat. § 22-32.5-102 (1)

⁹ Colo. Rev. Stat. § 22-32.5-104 (3)

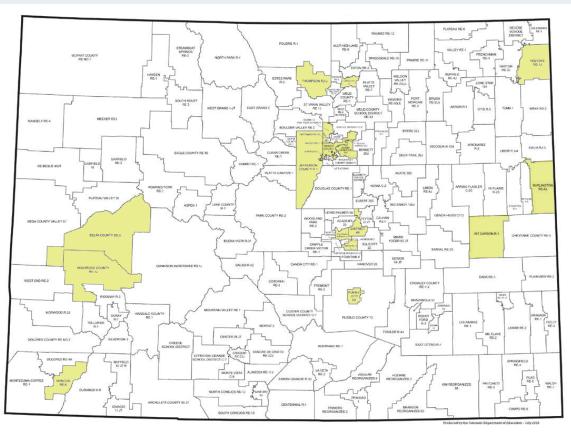
¹⁰ Colo. Rev. Stat. § 22-32.5-109 (1)

To access and operate with such autonomy, the ISA requires interested schools to develop a strategic "innovation plan" with and for their specific school community, identify waivers from local and state policy and from collective bargaining agreements needed to implement that plan, and to demonstrate majority support for the plan from a school's teachers, administrators and other school employees, as well as from its School Accountability Committee, which includes family and community representatives." Local school boards and the State Board of Education subsequently review a school's plan, prior to granting any respective waivers and thus conveying "innovation status" to the school.

Under the ISA, innovation status does not exist in perpetuity once granted. Every three years, the local school board must review progress toward the academic goals established in a school's innovation plan, provide an opportunity for plan revision and/or consider the revocation of innovation status if the school is not making adequate academic progress.¹² This review represents heightened accountability in exchange for autonomy and safeguards the ISA's expressed intention of advancing "high-quality public education throughout the state."¹³

By the 2020-2021 school year, Colorado was home to 107 innovation schools, serving 48,539 students. These schools serve a higher percentage of students of color, students experiencing poverty, students whose home language is not English and students with individual education plans than do non-innovation schools across the state. Innovation schools are present in 17 districts, including rural, suburban and urban districts, although nearly half of Colorado's innovation schools (53) operated in Denver Public Schools.

INNOVATION SCHOOL DISTRICTS IN COLORADO



 $^{^{\}rm 11}$ Colo. Rev. Stat. § 22-32.5-104 (1)

¹² Colo. Rev. Stat. § 22-32.5-110 (1)

¹³ Colo. Rev. Stat. § 22-32.5-102 (1)

¹⁴ https://www.cde.state.co.us/choice/2021innovationreport

¹⁵ https://www.cde.state.co.us/choice/2021innovationreport

¹⁶ https://www.cde.state.co.us/choice/2021innovationreport

Types of Innovation Schools in Colorado

Turnaround Schools

In 2009, the Colorado legislature passed the Education Accountability Act, which established a responsibility for the State Board of Education (SBOE) to intervene when a school or district persistently underperforms on the state's Performance Frameworks (SPF). More specifically, the SBOE must act when a school is rated as "Turnaround" or "Priority Improvement" on the SPF for five consecutive years, what is commonly referred to as the "Accountability Clock." ¹⁷

The interventions available to the SBOE under statute include conversion of a district-run school to an innovation school. The underlying premise of this intervention assumes that, in order to accelerate improvement for students, the school needs to be freed up from the "district way of doing things," as what the district and its systems have been doing with and for the school has failed to produce appropriate outcomes for students. It also acknowledges that state policy could be part of the problem. Over time, SBOE has commonly leveraged innovation conversion as an intervention for struggling district schools. The problem is a district schools.

In addition, some districts historically leveraged innovation conversion as a turnaround strategy at the recommendation of its own staff and schools, and as directed by its local board of education, before a school's time "ran out" on the state Accountability Clock and, in some cases, before the advent of the Accountability Clock itself.²⁰

Strategic School (Re)Designs

Not all innovation schools in Colorado possess innovation status because of turnaround needs. In many places across the state, school communities have leveraged the strategic planning process implicit to innovation plans as a means to design a new school, or redesign an existing school, to align programming with the needs and interests of a school's students, families, employees and community and to establish conditions conducive to quality outcomes. In cases where the developed strategic plan requires autonomies in specific local or state policies, or elements of collective bargaining agreements to implement, the new or existing school then seeks innovation status.

This was especially true in Denver during its extended period of enrollment growth, when Denver Public Schools opened 38 new district schools, each developed using a community-based design process.²¹ In nearly all cases, those new district schools ultimately sought innovation status in order to implement their strategic plans with fidelity.²² Some of these new innovation schools replaced existing district-run or charter schools as part of locally directed turnaround efforts, or opened as new choice options in regions where area schools, district or charter, were struggling to serve students well.²³

¹⁷ https://www.cde.state.co.us/accountability/accountability_clock

¹⁸ https://www.cde.state.co.us/accountability/sb_163_052013

¹⁹ https://www.cde.state.co.us/accountability/stateboardaccountabilityactions

²⁰ For example, see https://staging.erstrategies.org/cms/files/1496-denver-case-

²¹ https://go.boarddocs.com/co/dpsk12/Board.nsf/files/B7MS9V701EB0/\$file/2019%20Call%20for%20New%20Quality%20Schools%20VF.pdf

https://go.boarddocs.com/co/dpsk12/Board.nsf/files/B7MS9V701EB0/\$file/2019%20Call%20for%20New%20Quality%20Schools%20VF.pdf See also: https://portfolio.dpsk12.org/dps-family-of-schools/#1528485340557-56ca89ff-5103 and https://portfolio.dpsk12.org/dps-family-of-schools/#1528485504192-9e38eb2d-e4f Note: Denver's practice of developing innovation plans with new school communities was challenged by its teachers union, and Denver Public Schools ultimately prevailed. See https://co.chalkbeat.org/2017/5/12/21102798/school-districts-can-create-brand-new-innovation-schools-state-high-court-rules

²³ As examples, see https://co.chalkbeat.org/2013/11/7/21093584/faltering-charter-to-hand-school-back-to-district and https://co.chalkbeat.org/2015/3/24/21092594/with-nod-to-charter-networks-dps-is-giving-a-successful-principal-a-second-school

Innovation School Zones

The ISA also affords schools with innovation status the opportunity to create "innovation school zones," defined as "a group of schools of a school district that share common interests, such as geographical location or educational focus." Zones are not unique to Colorado; promising models operate elsewhere, including the Memphis's iZone, Indiana's Innovation Network Schools, and Camden, New Jersey's Renaissance Schools. What these approaches typically share in common is that the collectives are purposefully designed and formed by schools and educators themselves so they can work with like-minded teams to maximize outcomes, increase efficiencies, and bolster shared learning for continuous improvement.

As with school-level innovation plans in Colorado, school stakeholders – administrators, teachers, other employees of the schools, and families – must create a strategic zone-level innovation plan, and a majority of each stakeholder group must demonstrate support for the innovation zone plan, before any related waivers and zone status can be granted by local and state school boards. Like innovation schools, innovation school zones also are subject to review by local boards every three years to ensure the zone is making adequate progress toward its academic goals.

Some zones in Colorado operate within a district's existing school-support structures, such as a district network supervised by a director of schools; other zones employ "alternative governance," through which the district delegates management activities for the innovation zone schools to another organization, which cannot be a for-profit entity. In 2022-23 there were 10 innovation zones in Colorado, three of which used alternative governance and were located in Denver. Page 19.



All public schools, regardless of type, abide by federal laws related to civil rights protections, including special education, and performance-based accountability. Moreover, the Colorado Department of Education prohibits waivers for large swaths of statutes, even for charter schools, the most autonomous school type.³⁰ There is thus much all public schools in Colorado share in common.

²⁴ Colo. Rev. Stat. § 22-32.5-103 (4)

²⁵ https://izonememphis.org/

²⁶ https://www.themindtrust.org/innovation-network-schools/

²⁷ https://credo.stanford.edu/reports/item/camden-ni/

²⁸ Colo. Rev. Stat. § 22-32.5-103 (4.5)

²⁹ Cite Maya's deck.

³⁰ https://www.cde.state.co.us/cdechart/waivers

That said, innovation, innovation zone and charter schools can access autonomies to many district mandates and related state statutes in numerous areas, although to varying degrees:

Autonomy by School Governance Type

Category	Specific Type of Flexibility	Autonomy By School Governance Type			
		District-Managed School	Innovation School	Innovation Zone School	Charter School
Human Resources	Teacher contract pay scale	No flexibility	No flexibility	No flexibility	Full flexibility ^a
	Teacher contract work rules	No flexibility	Some flexibilities available via waivers	Some flexibilities available via waivers	Full flexibility
	Teacher Credentials	No flexibility	Some flexibilities available via waivers	Some flexibilities available via waivers	Largely Flexible With Some Exceptions
	Non-teacher contract staffing pay and work rules	No flexibility	Some flexibilities available via waivers	Some flexibilities available via waivers	Full flexibility
Education Program	Schedule and Calendar	No flexibility in most districts	Some flexibilities available via waivers	Some flexibilities available via waivers	Full flexibility
	Program Model	No flexibility in most districts	Some flexibilities available via waivers	Some flexibilities available via waivers	Full flexibility
	Curriculum	No flexibility in most districts	Some flexibilities available via waivers	Some flexibilities available via waivers	Full flexibility
	Community Partnerships	Some flexibilities available via waivers	Some flexibilities available via waivers	Some flexibilities available via waivers	Full flexibility
Finance	Revenue Formula	District Decided Allocation	District Decided Allocation	In some cases, flexibility to receive additional revenue	State Allocation for charters
	Bond and Mill Levy	Receive full allocation	Receive full allocation	Receive full allocation	Full mill levy allocation; Bond inclusion dependent on district
	School Expenditures	Dependent on district but typically limited flexibility	Some flexibility on. Expenditures possible	Some flexibility on. expenditures	Full flexibility on expenditures
Operations	Transportation	No flexibility	No flexibility	No flexibility	Required to offer for special education students; have flexibility to offer for other students
	Enrollment	Full participation in District enrollment processes	Full participation in District enrollment processes	Full participation in District enrollment processes	Depends on district
	Board Governance	District School Board	District School Board	District School Board OR Nonprofit governance structure that partners with Elected School Board	Independent Board of Directors Holds Contract With Elected School Board

^a Schools with full flexibility still need to follow relevant state laws

^{*} Some authorizing districts have worked collaboratively with charter schools to define a larger set of shared programming areas. For example, in Denver, charter schools located in enrollment zones often pay into shared transportation systems.



Academic Performance of Colorado's Innovation Sector

The ISA requires the Colorado Department of Education (CDE) to submit to the Governor an annual report summarizing the demographics of students being served in innovation schools and zones statewide, outlining key autonomies granted, cataloging performance by each innovation school over time, and recommending any desired legislative changes.³¹

CDE uses SPF ratings as the sole measure of school performance in that report. Other evaluators have taken a more nuanced approach to determining academic performance and/or have considered a broader set of success indicators. CREDO's City Studies Project, for example, unpacks academic data in terms of student-learning gains and provides evaluative comparisons against state averages and between innovation, charter and district-run schools operating in the same city.³² As an example a little closer to home, The Evaluation Center in the School of Education and Human Development at the University of Colorado-Denver evaluated the early implementation of innovation in Denver from 2010-2013. Its analyses examined proficiency and growth data that innovation schools produced for students and indicators related to adult empowerment and workforce capacity, using quantitative human-resource data provided by the Denver Public Schools under a negotiated data-sharing agreement, as well as interviews with staff in innovation schools.³³

This report focuses on 2022-2023 academic data, including disaggregated data for specific groups of students, produced by Colorado's innovation and innovation zone schools on CMAS, the standardized tests administered for math and language arts in grades 3-8, and on COSAT, which includes PSAT, used for grades 9 and 10, and the SAT, administered to 11th graders.

³¹ https://www.cde.state.co.us/choice/2021innovationreport

³² https://credo.stanford.edu/research-reports/city-studies-3/ As examples: Camden, NJ: https://credo.stanford.edu/reports/item/camden-nj/Denver: https://credo.stanford.edu/reports/item/denver-co-2022/ Indianapolis: https://credo.stanford.edu/reports/item/indianapolis-in-2022/

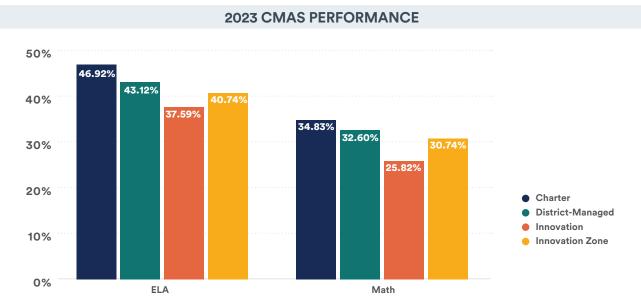
³³ https://apluscolorado.org/wp-content/uploads/2016/08/Innovation-Schools-in-DPS-Year-Three-of-an-Evaluation-Study.pdf?ref=1052
The full set of reports is available here: https://apluscolorado.org/reportcategories/innovation-schools/

How well did Colorado's innovation and innovation zone schools support students overall on specific academic measures, relative to district- and charter-managed schools, in 2022-2023?

CMAS (Grades 3-8)

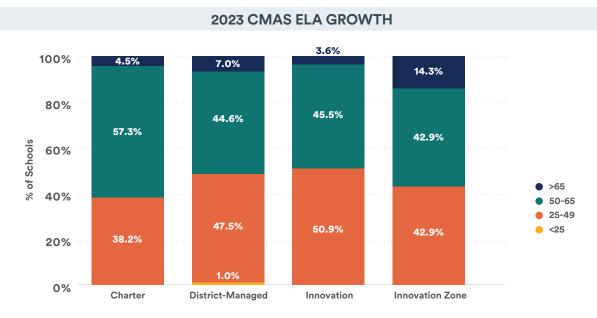
CMAS Proficiency

Overall innovation schools have lower CMAS proficiency rates in both ELA and math when compared to all other governance types. Innovation zone schools' proficiency rates are above those of traditional innovation schools, but also below other governance types.

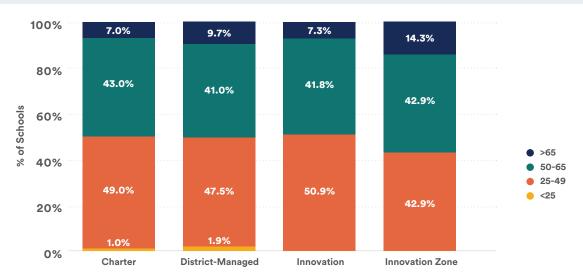


CMAS Growth

A smaller proportion of innovation schools met growth expectations (Median Growth Percentile, or "MGP" over 50) than other governance types in ELA and math. Innovation zone schools saw a higher proportion of schools meet this threshold when compared to district-managed schools but still fell short of the charter sector.





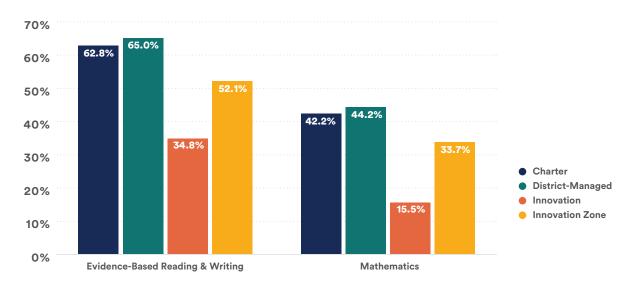


COSAT (Grades 9-11)

COSAT Proficiency (Grades 9-11)

Innovation and innovation zone schools had lower proportions of high school students meeting expectations than both charter and district-managed schools. In math only 15% of innovation school students in grades 9-11 met expectations on PSAT/SAT, compared to over 40% in charter and district-managed schools.

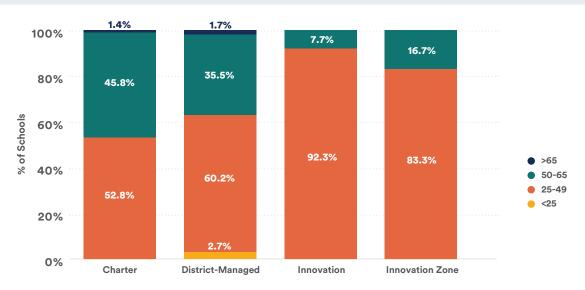
2023 PSAT/SAT PERFORMANCE



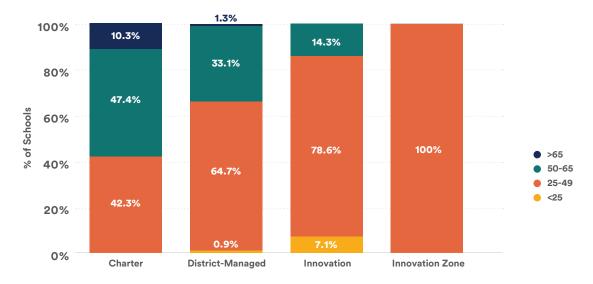
COSAT Growth (Grades 9-11)

The large majority of innovation and innovation zone high schools did not meet growth expectations in 2023 (MGP of 50.) Over 90% of innovation schools fell short of this benchmark in ELA and over 80% in math. This means that innovation high school students are, on average, falling further behind their peer statewide with comparable prior performance levels.

2023 PSAT/SAT ELA GROWTH DISTRIBUTION



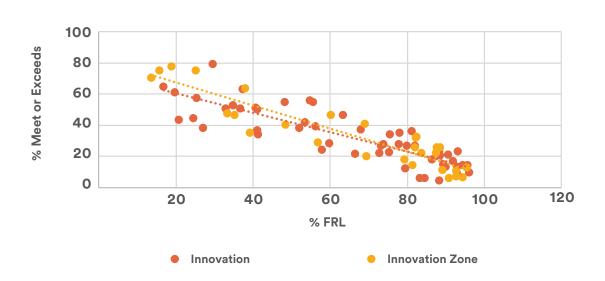
2023 PSAT/SAT MATH GROWTH DISTRIBUTION



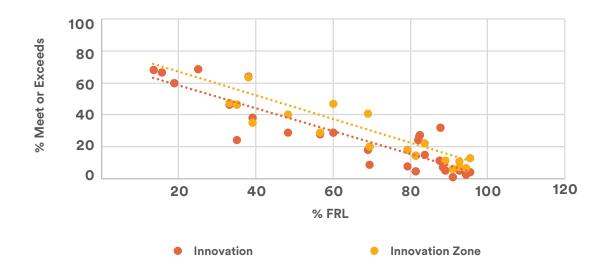
What is the relationship between economically disadvantaged student population and performance in Colorado's innovation and innovation zone schools in 2023?

There is a strong correlation between the percent of FRL eligible students served and proficiency rates on CMAS, with few outliers.

2023 CMAS ELA PERFORMANCE



2023 CMAS MATH PERFORMANCE



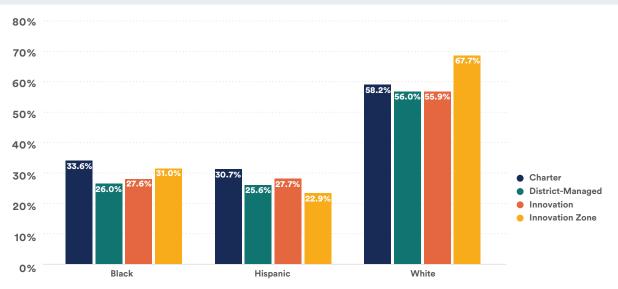
How well did Colorado's innovation and innovation zone schools support Black and Hispanic students, and students experiencing poverty, on specific academic measures, relative to district-managed and charter schools, in 2022-2023?

Students of Color

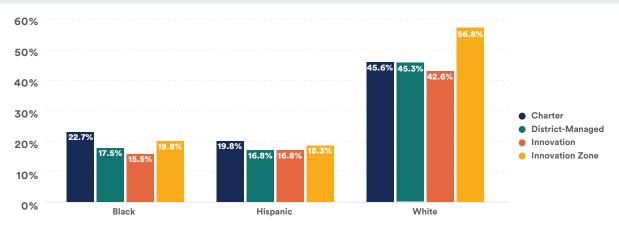
CMAS Proficiency (Grades 3-8)

In ELA, innovation schools outperformed district-managed schools in terms of Black and Hispanic student proficiency, although they still lagged behind charter schools. In math, their performance was slightly below or on par with district-managed schools and once again lagged behind charter schools by a larger margin for both Black and Hispanic students.

2023 CMAS ELA PERFORMANCE BY RACE/ETHNICITY



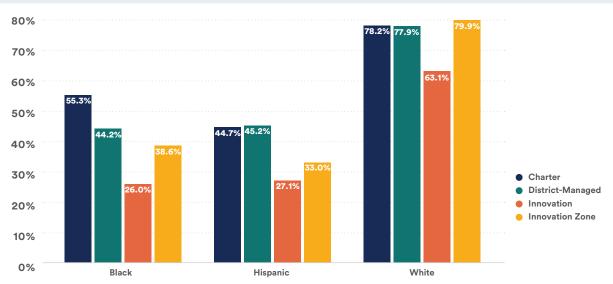
2023 CMAS MATH PERFORMANCE BY RACE/ETHNICITY



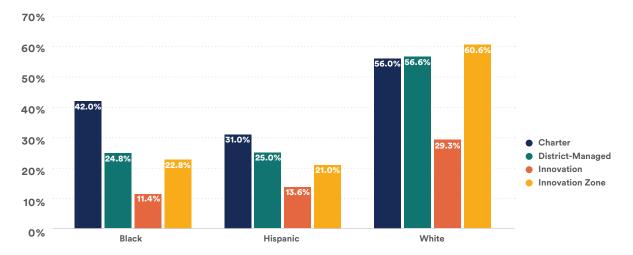
COSAT (Grades 9-11)

On PSAT/SAT, innovation school students of all three highlighted race/ethnicities lagged other governance types across both subjects. This indicates that innovation high schools are not only not serving students well overall, academic gaps are likely widening within these schools.





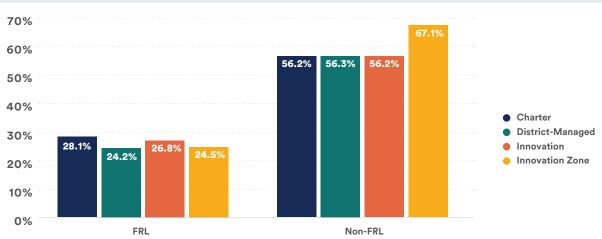
2023 PSAT/SAT MATH PERFORMANCE BY RACE/ETHNICITY



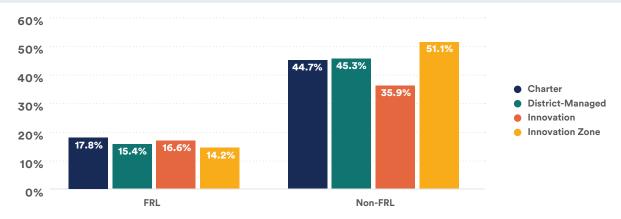
Students Experiencing Poverty (Qualifying for Free or Reduced Lunch, "FRL") Students Experiencing Poverty

CMAS Proficiency (Grades 3-8)





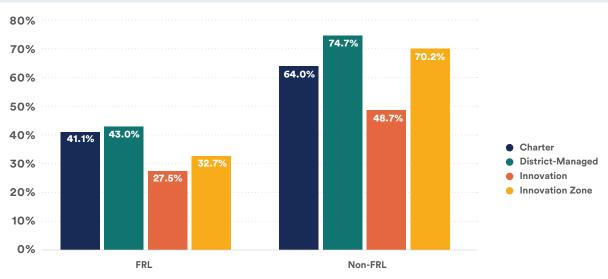
2023 CMAS MATH PERFORMANCE BY FRL ELIGIBILITY



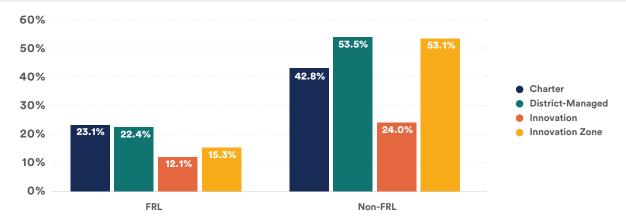
COSAT (Grades 9-11)

FRL students in innovation high schools performed behind their peers in schools of all governance types in both ELA and math, another indicator of the challenges being seen in innovation high schools across data points.





2023 PSAT/SAT MATH PERFORMANCE BY FRL ELIGIBILITY



Policy and Research Questions

Colorado's innovation sector produced lackluster outcomes for students during the 2022-2023 school year, which raises several policy and research questions.

Is innovation an effective tool for turnaround?

Both the SBOE and local school boards leverage innovation status with the intention of driving school improvement. As the data landscape re-stabilizes in coming years post-COVID, a more robust longitudinal set of analyses likely is warranted related to the comparative benefit of all interventions available to SBOE for schools on the Accountability Clock, including innovation conversion.

Are there barriers to innovation implementation?

Just because a school or zone possesses innovation status does not mean that a school or zone is actually empowered to use its waivers and implement its strategic plan. School districts often must transform their systems to differentiate for innovation schools and innovation zones. At least some evidence exists that district systems may be slow to evolve, if they do at all, and may functionally prevent innovation schools and zones from fully implementing approved autonomies and strategic plans.³⁴ Researchers and policy makers should work with innovation school leaders to understand barriers to plan implementation and support districts in removing these barriers.

What benefits, and risks, might state- or district-directed innovation planning present?

As designed in Colorado, the development and passage of an innovation plan is one of the most democratic efforts in our public schools. Essentially, innovation planning is a strategic planning process that requires real buy-in – majority or supermajority support, depending on the waivers sought – from all school stakeholders to move forward. It unifies a school community around a shared vision and detailed path forward.

When the development of an innovation plan is directed by the SBOE and/or a local district, a primary benefit likely is implicit support from those actors for the plan, in addition to the support of the school community.

Potential downsides exist, however. For example, school communities may engage the process simply to "check boxes" that higher-ups want to see, which may undercut the community-driven development so critical for real buy-in. Another possible risk is incongruence with the theory of action that sits underneath innovation itself: that the prescribed way of doing things under local and state policy and practice, and under collective bargaining agreements, is part of what is getting in the way of a school thriving.

If district and/or state actors direct innovation planning, school communities may be limited to autonomies that are comfortable for those actors. At least some evaluators have found that innovation schools tend to employ "smaller changes designed to improve the lives of staff and students, in comparison to engaging in completely new or different structures or practices." In short, innovation schools may be leveraging discreet, incremental autonomies that the powers that be can live with, but may not actually be empowered to innovate in deeper ways that might truly transform outcomes for students.

CDE and other actors should collaborate to revisit, refine and commit to a cohesive theory of action for innovation to guide innovation work across the state, especially in cases where the SBOE and/or local districts direct the innovation planning.

³⁴ As an example, see: https://go.boarddocs.com/co/dpsk12/Board.nsf/files/BCW49706432C/\$file/Innovation%20Status%20w%20BOE_June%206.pdf

³⁵ https://apluscolorado.org/wp-content/uploads/2016/08/Crafting-an-Innovation-School-Findings-from-Denver-s-first-eight-Innovation-schools.pd-f?ref=1046

Should CDE's annual report on innovation include a broader swath of "success" measures, academic and otherwise?

The SPF – the anchor of CDE's annual report – does not reveal specific information about how well innovation and innovation zone schools support students on specific academic indicators. This report rounds out CDE's information with specific CMAS and COSAT outcomes and does so on a disaggregated basis for Black and Hispanic and those experiencing poverty.

Future public reporting also should analyze outcomes:

- 1. For students whose home language is a language other than English and among students with individualized education plans.³⁶
- 2. For ACCESS and READ Act data, as well as indicators of postsecondary readiness, all of which already is collected by CDE.

CDE also should consider reporting data for innovation schools and innovation zones separately, as performance differences currently exist between these two types of schools; documenting differences over time can support deeper learning related to opportunities and risks that may exist.

Moreover, CDE is conveening a new task force related to the state accountability system, which may evolve or expand the indicators the state will use to assess school quality in the future.³⁷ Although consistent measures should apply to all public schools in the state, specific metrics might be particularly meaningful for evaluating the comparative success of innovation and innovation zone schools, given their autonomies. One possible example noted earlier is evaluation of adult empowerment, which is important for all schools, yet critical in innovation and innovation zone schools.

What are the appropriate accountability structures and flexibilities for supporting zone nonprofit organizations?

Denver Public Schools (DPS) authorized its first innovation zone supported by a separate non-profit organization in 2016, the Luminary Learning Network (LLN).³⁸ That zone was later followed by the Beacon Network and the Northeast Denver Innovation Zone (NDIZ).³⁹ Denver is the only place in the state where nonprofit organizations have been established specifically to support innovation zones and the schools within them, a "governance innovation" added to the Innovation Schools Act in 2022.⁴⁰ The governing boards of these supporting nonprofits hold a memorandum of agreements with DPS that permit the nonprofits to operate the schools in the day-to-day.

Per statute, zones undergo a review at least every three years. The LLN is the only Denver zone to complete its statutorily required review successfully, however. The DPS Board of Education voted to dismantle the Beacon Network after its review in 2023, citing academic concerns at one of its schools and also operational challenges within the supporting nonprofit.⁴¹ The review for NDIZ is delayed and still pending as this report goes to press, but that zone includes McAuliffe International School, which has been embroiled in several controversies related to appropriate oversight at the zone schools.⁴² Staffs at several NDIZ schools also have voted to exit that zone in recent years.⁴³

³⁶ These analyses require access to student-level data, as n-size rules related to student privacy often lead to suppression of this data in publicly available school-level data files.

 $^{^{37} \,} https://co.chalkbeat.org/2023/3/31/23664104/standardized-testing-colorado-schools-accountability-task-force-legislature$

³⁸ https://co.chalkbeat.org/2016/4/28/21103267/denver-school-board-approves-innovation-zone-granting-schools-new-freedoms

³⁹ https://co.chalkbeat.org/2018/6/15/21105159/denver-expands-its-experiment-with-more-autonomous-innovation-zones

⁴⁰ https://co.chalkbeat.org/2022/5/9/23064176/senate-bill-197-denver-innovation-zones-amendments-compromise

⁴¹ https://co.chalkbeat.org/2023/4/10/23678386/innovation-zone-dissolve-kepner-grant-beacon-network-denver-schools-dps-marrero-school-board

⁴² https://co.chalkbeat.org/2023/8/24/23845258/kurt-dennis-firing-denver-school-board-vote-mcauliffe-international

⁴³ https://co.chalkbeat.org/2021/12/2/22814395/denver-northeast-innovation-zone-willow-monclair-leave

Supporters of Denver's innovation zones have suggested that critiques of the innovation zones by the Denver School Board and administration are related to power and control while the district leaders will claim it comes down to support for students.⁴⁴ Regardless of whether the district's attacks on innovation schools and zones are warranted, it appears that there are some gray areas for innovation schools and zones when it comes to governance and accountability. Unlike charter school authorizing, neither CDE nor the SBOE have clear regulations for statutory review of zones. (For charters, Colorado largely follows standards set by the National Association of Charter School Authorizers.⁴⁵) Although the ISA centralizes school performance in reviews for both innovation schools and zones, it is silent on many other matters, including the operational health of a zone or its companion nonprofit organization, when the governance innovation is used. Such regulatory gaps must be addressed.

In 2022, the Colorado legislature passed SB22-197, the Innovation School Zones with Autonomous Governance Act, which amended the Innovation Schools Act to more formally acknowledge zones with nonprofit governance structures and also create an avenue for these autonomous actors to ask for review from the SBOE when a local school board seeks to dismantle a zone. The legislature should build off this work to deepen the guidance for operational and authorizing issues that remain.⁴⁶

In addition, a review of memorandums between DPS and its zones indicate that zone nonprofit boards in Denver may not actually have fundamental flexibilities necessary to operate schools well.⁴⁷ At a high level, "time, people and money" are flexibilities centralized in the ISA and have long been foundational to the theory of action around innovation.

Denver's zone boards, however, do not have full rights to determine:

- 1. How schools in their zones will use time; they do not fully control matters like bell times or school calendars, for example.
- 2. Hiring, retention and dismissal for the employees in zone schools. (Zone boards do make these decisions for any employees of the zone nonprofit itself.)
- 3. Financial planning for zone schools or the zone.
 - a. The memoranda executed by DPS and Zone boards do not establish clear, consistent and reliable financial arrangements, limiting zones' ability to forecast available funds and thus engage purposeful planning to best meet the needs of the schools for which they are responsible.
 - b. Zone boards do not approve or make final decisions about school-level budgets, either.

All of these factors likely limit the effectiveness of zone nonprofits and also should be addressed in statute and/or by CDE regulation.

⁴⁴ https://boardhawk.org/2023/03/dps-power-grab-to-dismantle-the-beacon-innovation-zone-is-unwarranted/

⁴⁵ https://qualitycharters.org/

⁴⁶ https://leg.colorado.gov/bills/sb22-197

⁴⁷ https://www.boarddocs.com/co/dpsk12/Board.nsf/files/B5NS2269410E/\$file/Beacon%20Zone%20MOU_VF%2010_18.pdf

