

Heads of schools to gain power

Alonso plan will grant principals far greater control over spending

By Sara Neufeld

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Principals in Baltimore schools are about to see their jobs radically altered as the city's troubled educational system prepares to undergo its biggest restructuring in years.

The principals will have far more authority over how they spend their schools' money. If the system's search for private funding is successful, some of them will be eligible for up to \$20,000 in bonuses next year. And if they cannot improve student achievement, their jobs will be at risk.

Since arriving from New York City in July, Baltimore schools chief Andres Alonso has instituted a variety of controversial measures, among them allowing schools to install metal detectors and offering to pay struggling students for improvement.

He will make an even bigger mark Tuesday as he presents his first spending blueprint to the school board, with principals at the heart of his reform plans.

The major theme of the 2008-2009 budget will be dismantling the central office administration and empowering principals to make spending decisions based on their schools' needs.

Baltimore's school system has tried decentralized management before and found it unwieldy to implement. Principals didn't know where to go when they needed help, culminating in the mass suspension of 1,200 students at one high school.

The strategy is proving successful in New York, where Alonso was involved in its design. Prince George's County is also starting to decentralize, but principals there will earn autonomy based on their schools' improvement, while struggling schools continue receiving direction from the central office.

In New York and now in Baltimore, the theory is that principals must have autonomy as a prerequisite of success. Alonso accepted his job here on the condition that the school board give him autonomy to run the system. Similarly, he says, principals need flexibility to run their schools.

"Look," he told the city's principals at their monthly meeting in February, "this is what I ask of the school board: Give me the authority, give me the goals, get out of my way. You know, clearly, they've got to pay attention to what I'm doing because you don't want to let me go too crazy. But at the same time ... the proof will be in the outcomes. If that's what I want for myself, that's certainly what I want for you."

The Baltimore school system spends the equivalent of about \$13,000 annually for each of its 81,000 students. Currently, a principal controls a tiny fraction of that, about \$90 per student, and the central office dictates all other spending decisions.

In recent weeks, Alonso has been trying to determine how much money can be freed up for principals to spend as they see fit. His proposed budget will contain a new per-student dollar amount that will go directly to principals.

Alonso hasn't made the amount public yet but says it will be much more than \$90. His proposal is subject to the approval of the school board and the City Council.

Once the budget is adopted, principals will be able to determine how many teachers they can hire, how much to spend on materials and which extracurricular activities to fund.

If a school community wants smaller class sizes, or an art teacher, or a social worker, it will be up to the principal to figure out how to accomplish that. This spring, principals will tell Alonso what they plan to do with the money they will control.

Alonso must cut \$50 million from the system's \$1.1 billion budget because of an expected reduction in state funding. He has vowed to cut from the central administration and other places that don't directly affect classrooms.

Meanwhile, a committee composed of system staff members and union representatives is hashing out details for a pilot merit pay program, which would be voluntary for 10 percent of the city's 190 principals. The committee is proposing bonuses of up to \$20,000 for principals, plus rewards for an entire school, based on factors including student achievement and school culture.

But in light of the budget shortfall, officials said merit pay for the next academic year probably would have to be funded by private donations.

In an interview, Alonso called merit pay for principals a "jump start" for accountability systemwide, indicating that he will advocate for teacher merit pay down the line.

Unions often oppose pay based on performance, but Baltimore's administrators union is endorsing the concept as long as no principal ends up with reduced pay.

Jimmy Gittings, president of the Public School Administrators and Supervisors Association, said he doesn't want the system to give principals bonuses while central office administrators lose their jobs.

Gittings said he backs giving principals more autonomy if there is enough support and training.

"It's literally making a principal a mini-superintendent," he said. "It's a lot more responsibility, and I don't want them to be given full autonomy and then the next year face the possibility of being removed."

In 2004 in New York City, where principals are paid for performance, the city tried giving 26 schools increased discretion over spending. Seeing positive results, officials increased the number of "empowerment schools" every year until this academic year,

when autonomy was expanded citywide. In exchange, any principal whose school is deemed failing for two years is replaced.

"Having folks in the central office who don't know your students and aren't accountable make decisions simply lets the people in the schools off the hook," said Eric Nadelstern, chief executive officer of New York's empowerment schools program.

Prince George's County recently received a \$17 million federal grant to give merit pay to principals and teachers in a dozen schools. Superintendent John E. Deasy is also creating an "autonomy zone" for high-performing schools and schools showing substantial growth in student achievement, where principals will have wide budgetary latitude.

"We want to be less regulatory, and we want to be more in the business of auditing results for those schools in the autonomy zone," Deasy said. "For schools that are not in the autonomy zone, our goal is to get them there as fast as possible."

The structure Alonso is planning for Baltimore, granting autonomy to all principals, is riskier. It is likely to help the system attract innovative school leaders but could set up for failure schools with weak leaders.

"It's bolder to do it for everyone and more challenging and not as safe, but I think that you have a chicken and egg, horse and cart thing going on," said Hampstead Hill Academy Principal Matthew Hornbeck, who has been helping Alonso develop the new structure. "It's hard to get the right people as school leaders and say, 'Turn this school around, but we're not going to give you the freedom to do it until you do it.'"

Hampstead Hill is one of the city's 22 charter schools, which operate independently. Alonso says the charter principals will be instrumental in helping their colleagues manage new responsibilities. He plans to divide principals into clusters and provide each cluster with support, for instance a budget specialist who would work with all the schools in the group.

Appearing before a City Council committee last month, Alonso was questioned by Councilman William H. Cole IV, who said he was worried that some principals don't have the budgeting skills that will be required. Alonso replied, "If you can trust a principal with 400 kids but not with a spreadsheet, it doesn't compute."

Baltimore last adopted a school-based budgeting structure in the 1980s. In the early 1990s, a consultant recommended that the city create a network of "enterprise schools" where principals would have greater autonomy. The recommendations were never fully implemented, despite state threats to withhold funding.

In 1997, the General Assembly created a city-state partnership to govern Baltimore schools under a new school board, which immediately centralized management.

"It was pretty chaotic when we came in," said former board member Edward J. Brody. "To get it under control, it was the best approach at the time. But I think decentralization happens to be the way to operate."

Brody and others said the problem was the way decentralization was implemented. Patricia Welch, who was on the board then and went on to become its chairwoman, said principals didn't know where to turn when they had a problem.

In a vivid example of that, Northern High School's principal suspended 1,200 disobedient students in November 1997. Welch said the principal had been asking the central office for help with a variety of problems contributing to poor student discipline, including insufficiently trained teachers and inadequate transportation after school.

"When the situation became unbearable and she made the decision to suspend all of them, suddenly she got the help she needed," said Welch, now dean of education at Morgan State University.

Centralized management has its advantages. In places where families move often, a standardized curriculum lets children pick up where they left off when they change schools. And in systems with many inexperienced teachers and principals, centralization leaves less room for error.

It also leaves less room for creativity, stifling talented educators.

The system's new direction was evident Feb. 26, when the school board approved textbooks for several subject areas.

In contrast to prior textbook adoptions, officials did not designate how much to spend on any given book. For most subjects, the board approved multiple titles. Principals can choose what they want and use money from their budgets for purchases. A principal who doesn't like any of the choices may submit a recommendation for another book, along with a justification.

Alonso said the idea isn't to give the principals carte blanche in instruction but to provide options so that they can choose what they consider best for their students.

James R. Sasiadek, principal of Thomas Johnson Elementary, said he hopes the guided choices will make the autonomy experiment more successful this time.

"I think we're going to have some bumps and bruises along the way," said Sasiadek, who has seen the pendulum swing from decentralization to centralization and back again. "But I'd much rather dive off the diving board now because I see water in the pool. Before I only saw concrete."