



# Restructuring Schools in Baltimore: An Analysis of State and District Efforts

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By Lauren Morando Rhim

One of the critical challenges facing state and district leaders is how to improve public schools identified as low performing. The passage of the No Child Left Behind Act of 2001 (NCLB) brought a new sense of urgency to this challenge. NCLB outlines a timeframe for school improvement, as well as specific actions that districts must take if schools do not make adequate progress in improving student achievement.

This paper presents a summary of state and local restructuring efforts in a single district: the Baltimore City Public School System (BCPSS).<sup>1</sup> The state's and the district's experiences with restructuring persistently low-performing schools provide practical information to other state and district leaders charged with the arduous task of restructuring schools under NCLB.

## State and District Restructuring in Baltimore

In 1999, after more than five years of watching dozens of BCPSS schools languish on the "reconstitution eligible" list, the Maryland State Department of Education (MSDE) moved to reconstitute three elementary schools in Baltimore. In 2000, MSDE reconstituted a fourth elementary school. The state decided to reconstitute elementary schools rather than middle or high schools because policymakers thought they could have the greatest impact at the elementary school level.

Separately, BCPSS created the New Schools Initiative (NSI) in 1995. The impetus behind the NSI program was to expand the opportunities to improve special education in Baltimore City by inviting external organizations to apply to operate public schools. The initiative allowed for the creation of two distinct types of NSI schools – wholly new schools and conversion schools. Within the NSI, the BCPSS school board enters into a contract with the operator that expects them to "show significant progress toward meeting state standards and individually established performance standards."<sup>2</sup> Because the focus of this brief is lessons learned from restructuring, the research was limited to the BCPSS schools that converted to NSI status.

### State and District Restructuring Initiatives in Baltimore

- State negotiated contract with Edison Schools Inc. to operate three persistently low-performing elementary schools: Furman Templeton, Gilmor and Montebello.
- State and district negotiated contract with Victory Schools Inc. to operate one persistently low-performing BCPSS school: Westport Academy.
- District negotiated contracts with the Baltimore Curriculum Project and Coppin State College to operate "partner schools" under the New Schools Initiative: Barclay, City Springs, Collington Square, Hampstead Hills and Rosemont.

<sup>1</sup> To identify the lessons learned through restructuring in Baltimore, the author conducted a thorough document review and interviewed state, district and school personnel directly involved with the restructuring process. The interviews provided vital information regarding policies and practices that fostered or impeded the restructuring process and academic performance. An extended review of the case study is available from the Education Commission of the States.

<sup>2</sup> Baltimore City Public School System (September, 2002). *A History of the New Schools Initiative*. Baltimore, MD: BCPSS.

## Recurring Themes and Recommendations

This case study of state and district restructuring in Baltimore revealed recurring themes and practical recommendations regarding the transition to and actual operation of restructured public schools. The themes and recommendations fall into three broad categories: the contracting process, the transition to new management and the operation of restructured schools. The themes and recommendations are summarized below.

### ***The Contracting Process***

1. Nonprofit and for-profit operators can provide states and districts with a variety of options for restructuring schools. Rather than limiting potential operators to one type or another, states and districts should examine the range of vendor options when seeking external management of failing schools.
2. Engaging external entities to operate public schools requires negotiating a legally binding contract worth millions of dollars annually. The process of requesting and reviewing proposals should be transparent, rigorous and competitive. Most states and districts maintain standard procurement/contracting processes that can be used to recruit and hire an external manager to operate a school. Awarding a substantial contract outside of standard procurement processes opens states and districts to public-relations problems and potential litigation over the legitimacy of the contracts.
3. Conducting a thorough review of potential school operators' instructional capacity and financial stability will ensure the contractor has at a minimum the ability to provide the services articulated in its proposal to operate a public school. Absent this critical due diligence, including contacting multiple references, states and districts run the risk of hiring unqualified operators and/or operators that may go out of business before the end of the contract.
4. Effective restructuring requires dedicating adequate staff time to developing unambiguous contracts that clearly articulate roles and responsibilities. For instance, if the district is to be responsible for capital improvements and the contractor is to be responsible for maintenance, the contract should specify criteria for determining whether a repair is considered a capital improvement or maintenance. The absence of clearly articulated roles and responsibilities leads to recurring problems related to determining who is responsible for what in the school.
5. Hiring an external operator to manage a public school represents a delegation of authority but not a delegation of responsibility. The state or district is still responsible for ensuring that contractors fulfill their obligations. Ensuring the contract is fulfilled requires regular communication and monitoring. State and district stakeholders identified as problematic the perceived myth that once contracts are negotiated, the state's and/or the district's work ends. Managing the contract requires ongoing staff time.
6. Fiscal incentives are potent means to hold external contractors accountable for their performance. Discussions with school and company personnel revealed that meeting the quantifiable performance benchmarks is a top priority for the schools. Absent fiscal incentives, however, a commitment to the community also can serve as a powerful motivator for external operators.

### ***Transition to New Management***

1. The importance of zero-based staffing (i.e., not guaranteeing any previous staff member a position at the reconstituted school) was a recurring theme in state and district restructured schools. The process of interviewing staff allows the new manager to assess whether an employee is qualified and buys into the new governance and curricular model. Policy leaders can make the process palatable to the teachers union by guaranteeing all current employees an equivalent position in the dis-

strict if they decide not to apply to the restructured school or if the new operator decides not to rehire them.

2. Most schools, even failing schools, have certain features that work well. For example, a school might operate an exemplary homework club or have a productive relationship with a local university. Rather than characterizing everything about the school as negative, new operators should examine low-performing schools to identify both positive and negative aspects. Retaining components of the school that are functioning well provides the new operator with a foundation and can build credibility with the community.
3. Transitioning a neighborhood school from traditional management to private management can stir up fear and resentment, even when the school is failing. States, districts and the newly hired private operators should commit human and fiscal resources to engaging parents and cultivating relationships with parents and the larger local community to build trust and ease the transition process.
4. A school's physical plant sets the tone for students' learning environment. State, district and school personnel all identified improvements to the physical plant as an important contribution by the external managers. Providing students with a clean and engaging school building can earn instant credibility with skeptical parents.

### ***The Operation of Restructured Schools***

1. Strong, dynamic principals are the bedrock of successful schools. A universal finding, which emerged from both types of restructuring strategies, is while autonomy and a good curriculum can facilitate school improvement, the engine behind good schools is a skilled principal who serves as an instructional leader.
2. Second only to the importance of principals in restructured schools is the importance of skilled instructional staff. The autonomy granted to state- and district-restructured schools gave principals the power they reportedly needed to assemble a faculty that can cultivate an engaging learning environment and produce results.
3. A strong, coherent curriculum that is aligned with state standards and yet flexible enough to meet students' diverse learning needs is central to improving academic performance. Policy leaders charged with selecting school operators should carefully critique the academic model and operational track record of potential partners.
4. The restructured schools were granted variable levels of autonomy over their budgets. The schools capitalized on the autonomy to allocate resources according to school-level requirements as opposed to district formulas. External managers and their principals noted that controlling their school's budget enabled them to stretch their monies and target resources according to the greatest need.
5. The restructured schools that have demonstrated academic progress credited data-driven decision-making with providing them with the tools needed to improve instruction. Rather than viewing data as an end in itself, these schools regularly used student performance on classroom assessments to shape classroom practice.
6. The restructured schools found that engaging parents early and often helped with the transition to private management and provided students with additional support.
7. External resources played a major role in the academic program of a number of the restructured schools (e.g., colleges and universities, foundations and federal grants). Whether it is for operating a whole school or supporting a unique program, policy leaders charged with restructuring should engage external entities to infuse new energy, ideas and resources into public schools.

## Final Thoughts

The Baltimore City Public School System, like many large urban districts, struggles to provide a high-quality public education to its students. The challenges facing BCPSS are numerous and extend beyond the schoolhouse doors. The implementation of NCLB has escalated the pressure to achieve and the consequences associated with failure.

The state and district restructuring initiatives in Baltimore have produced mixed results in terms of gains in student academic performance. Nevertheless, restructuring in Baltimore provides practical lessons regarding the process of restructuring. Reinforcing decades of research on effective schools, the key policy leaders (i.e., MSDE and BCPSS officials, management company personnel and school principals) involved with restructuring in Baltimore identified principals and teachers as the essential forces driving successful schools. Supporting conditions that are critical to enabling strong principals and teachers to succeed are school autonomy over budgets, personnel and curriculum, and instructional issues such as professional development.

Baltimore illustrates two types of restructuring strategies – state-led and district-led. NCLB incorporates these strategies, outlines additional ones (e.g., chartering) and grants districts wide latitude to implement their own specific restructuring strategies. NCLB, however, does not address issues related to will and capacity. As the case study of Baltimore illustrates, restructuring requires that the entity or individual leading the effort (i.e., the state or district) has the will to make meaningful change and the capacity to select and monitor an external operator. BCPSS' abortive experience with Victory arguably represents an instance of a district having neither the will nor the capacity to restructure via a private contractor.

Requiring districts that lack internal will or capacity to restructure due to NCLB may lead to restructuring efforts that are less than valiant. For instance, given the variety of options districts may use to restructure, what consequences are there for a district that issues a charter to a failing school but does not grant that school any autonomy associated with the charter? Alternatively, what consequences are there for a district that implements a restructuring initiative analogous to the New Schools Initiative yet does not ensure the quality of the external operator or thereafter hold the operator accountable for performance? In other words, what consequences are there for “real” versus “sham” restructuring under NCLB?

The case study of Baltimore documents the critical role of selecting and monitoring contractors hired to operate restructured schools, and this role presumes a requisite level of will and capacity to change. Absent will and capacity on the part of the entity charged with restructuring, it is questionable whether restructuring will be meaningful unless external entities, be they states, municipalities or community organizations, take a proactive role in ensuring district-directed restructuring is significant and substantive.

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