

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 357 Principal Autonomy Pilot Program Initiative

**SPONSOR(S):** K-12 Subcommittee, Diaz, Jr. and others

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 952

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) K-12 Subcommittee	13 Y, 0 N, As CS	Beagle	Fudge
2) Education Appropriations Subcommittee	13 Y, 0 N	Butler	Heflin
3) Education Committee	16 Y, 0 N	Beagle	Mizereck

### SUMMARY ANALYSIS

The bill establishes the Principal Autonomy Pilot Program Initiative (PAPPI) within the Department of Education to provide the principals of participating schools in participating school districts with increased autonomy and authority regarding allocation of resources and staffing. School districts selected for participation in PAPPI are exempt from the K-20 Education Code and State Board of Education rules, with exceptions. Among other exemptions, the class size compliance calculation for participating schools is the school-level average, rather than the individual classroom level.

School district participation in PAPPI is voluntary. School districts seeking to participate in PAPPI must submit a principal autonomy proposal to the State Board of Education for approval. Among other things, the proposal must identify three middle or high schools whose principals will have greater fiscal and administrative autonomy, describe the areas in which increased autonomy will be granted, and state measurable goals regarding student achievement and operational efficiency. The state board may select up to six school districts for participation in PAPPI. The initial term of the program is three years.

The bill grants the principals of participating schools greater authority regarding staffing decisions, allocation of financial resources, and budgeting. Among other things, the principal of a participating school is granted greater authority to hire qualified instructional personnel or refuse placement or transfer of such personnel. Before participation in the program may begin, such principals must complete professional development designed to enable them to implement increased autonomy. Participating school districts must guarantee participating schools at least 90 percent of the funds generated in the Florida Education Finance Program (FEFP) by that school. The current minimum guaranteed is 80 percent of such funds.

Participating school districts must annually report measures taken to implement the program and results achieved to the state board. The Commissioner of Education must submit a full evaluation of the program's effectiveness to the President of the Senate and the Speaker of the House of Representatives upon expiration of the initial three year term.

The bill does not have a fiscal impact on state or local government, as participation in PAPPI is optional.

The bill takes effect July 1, 2015.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### **Present Situation**

Research indicates that school leadership is “second only to classroom instruction among all school-related factors that contribute to what students learn at school.”<sup>1</sup> Research also indicates that effective school leadership plays a critical role in the recruitment and retention of quality teachers.<sup>2</sup> According to researchers, “principals can be more effective when there is a district-wide culture of joint responsibility for achieving shared student outcome goals.” This includes giving principals more autonomy to implement instructional reforms, budget and allocate resources, and hire a quality instructional team tailored to the individual needs of his or her school.<sup>3</sup>

#### **School Principals**

“School administrators” include school principals, school directors, career center directors, and assistant principals.<sup>4</sup> Among other things, school principals are responsible for:

- Fully supporting the authority of classroom teachers and school bus drivers regarding student discipline and conduct.
- Providing instructional leadership in the development, revision, and implementation of a school improvement plan.
- Accurate and timely compliance with statutory reporting requirements.
- The management and care of instructional materials.
- Facilitating parental involvement in their child’s education and providing information to parents regarding their child’s educational progress and available educational choices.<sup>5</sup>

When filling instructional positions<sup>6</sup> at the school level, the district school superintendent must consider nominations received from school principals of the respective schools in the school district. The superintendent then must make recommendations to the district school board regarding each position to be filled and the persons to fill such positions. The school board has discretion to approve or reject any of the superintendent’s recommendations. Before transferring a classroom teacher from one school to another, the superintendent must consult with the principal of the receiving school and allow the principal to review the teacher’s records, student performance results,<sup>7</sup> and interview the teacher. If, in the judgment of the school principal, students would not benefit from the placement, he or she may request an alternative placement. However, the superintendent is not bound by the request.<sup>8</sup> The law authorizes each school principal to refuse placement or transfer of instructional personnel by the superintendent to his or her school if the instructional personnel has a performance evaluation rating of

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<sup>1</sup> Kenneth Leithwood, et. al., *How Leadership Influences Student Learning*, Ontario Institute for Studies in Education, at 5 (2004), available at <http://www.wallacefoundation.org/knowledge-center/school-leadership/key-research/Documents/How-Leadership-Influences-Student-Learning.pdf>.

<sup>2</sup> The Wallace Foundation, *Leading From Every Seat, Empowering Principals to Cultivate Teacher Leadership for School Improvement*, at 4 (2015), available at <http://www.newleaders.org/wp-content/uploads/LeadingFromEverySeat.pdf>.

<sup>3</sup> Ikemato, Gina, et. al., *Great Principals At Scale: Creating District Conditions That Enable All Principals to Be Effective*, The Bush Institute, at 9-11 (June, 2014), available at [http://www.newleaders.org/wp-content/uploads/GPAS\\_FullReport\\_Final.pdf](http://www.newleaders.org/wp-content/uploads/GPAS_FullReport_Final.pdf).

<sup>4</sup> See s. 1012.01(3), F.S. Administrative personnel are K-12 personnel who perform management activities such as developing and executing broad policies for the school district. Administrative personnel include district-based instructional and non-instructional administrators, as well as school administrators who perform administrative duties at the school-level. *Id.*

<sup>5</sup> Section 1001.54, F.S.

<sup>6</sup> Instructional personnel include classroom teachers; staff who provide student personnel services, e.g., guidance counselors, social workers, career specialists, and school psychologists; librarians and media specialists; other instructional staff, e.g., learning resource specialists; and education paraprofessionals under the direct supervision of instructional personnel. Section 1012.01(2), F.S.

<sup>7</sup> As measured by the instructional personnel’s performance evaluation. Section 1012.28(6), F.S.

<sup>8</sup> Section 1002.27(1), F.S. (flush-left provision at end of subsection).

needs improvement or unsatisfactory. Here, the superintendent must accept the school principal's decision.<sup>9</sup>

## The Florida Principal Leadership Standards

The Florida Principal Leadership Standards (FPLS) are Florida's core expectations for effective school administrators, including school principals. The FPLS are research-based; represent necessary knowledge, skills, and abilities for effective school leadership; and are the basis for school administrator performance evaluations, professional development systems, preparation programs, and certification requirements. The FPLS emphasize ability to improve student learning results; development and retention of quality classroom teachers; and school management practices that promote student learning, effective allocation of resources, and efficient operations.<sup>10</sup>

### Performance Evaluation

Florida law requires each district school superintendent to establish procedures to evaluate the job performance of district instructional, administrative, and supervisory personnel.<sup>11</sup> Instructional personnel and school administrators must be evaluated annually, with exceptions.<sup>12</sup> School district performance evaluation systems must differentiate among four levels of performance:

- Highly effective;
- Effective;
- Needs improvement, or for instructional personnel in their first three years of employment who need improvement, developing; and
- Unsatisfactory.<sup>13</sup>

The criteria used to measure school administrator performance are student performance, instructional leadership, and professional and job responsibilities.<sup>14</sup> At least 50 percent of a school administrator's evaluation must be based upon student performance, with certain exceptions.<sup>15</sup> Student performance must be measured by statewide assessments<sup>16</sup> and, by the 2014-2015 school year for subjects and grade levels not tested by statewide assessments, local assessments.<sup>17</sup> Evaluation of instructional leadership must include performance measures related to the effectiveness of classroom teachers in the school, the administrator's appropriate use of evaluation criteria and procedures, recruitment and retention of effective and highly effective classroom teachers, improvement in the percentage of instructional personnel evaluated at the highly effective or effective level, and other leadership practices that result in student learning growth.<sup>18</sup>

### Professional Development

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<sup>9</sup> Section 1012.28(6), F.S.

<sup>10</sup> Rule 6A-5.080(1)-(2), F.A.C.

<sup>11</sup> Section 1012.34(1)(a), F.S. The term "supervisory personnel" is not defined. *See* s. 1012.01(3), F.S.

<sup>12</sup> *See* s. 1012.34(3)(a), F.S. Newly hired classroom teachers must be evaluated at least twice in their first year of teaching in the school district "Newly hired classroom teachers" include first-time teachers new to the profession as well as veteran teachers new to the school district. *Id.*

<sup>13</sup> Section 1012.34(2)(e), F.S.

<sup>14</sup> Section 1012.34(3)(a)1., 3., and 4., F.S.

<sup>15</sup> Section 1012.34(3)(a)1., F.S. If less than three years of data are available for a school administrator, the student performance component of the evaluation may comprise no less than 40 percent of the evaluation. Section 1012.34(3)(a)1.b., F.S.

<sup>16</sup> The statewide assessment program for public schools includes statewide, standardized assessments for ELA (grades 3-11) and mathematics (grades 3-8); end-of-course (EOC) assessments for Algebra I, Algebra II, geometry, Biology I, civics, and U.S. History; and FCAT 2.0 science (grades 5 and 8). EOC assessments count 30 percent of a student's final course grade. Section 1008.22(3)(c), F.S.

<sup>17</sup> Sections 1012.34(3)(a)1. and 1008.22(6), F.S.

<sup>18</sup> Section 1012.34(3)(a)3., F.S.

The William Cecil Golden Professional Development Program for School Leaders is a professional development program for school principals established in collaboration with state and national professional leadership organizations and designed to respond to Florida's needs for quality school leadership and support the efforts of school leaders in improving instruction and student achievement and developing and retaining quality teachers. Professional development provided through the program must be based upon the FPLS and other school leadership standards.<sup>19</sup>

### **Effect of Proposed Changes**

The bill establishes the Principal Autonomy Pilot Program Initiative (PAPPI) within the Department of Education (DOE) to provide the principal of a participating school with increased autonomy and authority regarding allocation of resources and staffing to improve student achievement and school management. School district participation in PAPPI is voluntary. School districts seeking to participate in PAPPI must submit a principal autonomy proposal to the State Board of Education for approval. A proposal must:

- Identify three middle or high schools whose principals will have fiscal and administrative autonomy.
- Describe the current financial and administrative management of each participating school;
- Identify the areas in which each school principal will have increased fiscal and administrative autonomy, including greater autonomy regarding the hiring of instructional personnel.
- Identify the areas in which each participating school will continue to follow district school board fiscal and administrative policies.
- Explain the methods used to identify the educational strengths and needs of the participating school's students and identify how student achievement can be improved.
- Establish performance goals for student achievement, including learning gains and student performance on statewide assessments.
- Explain how increased principal autonomy will help participating schools improve student achievement and school management.
- Provide each participating school's mission and a description of its student population.

Based upon these criteria, the state board must approve or deny a school district's proposal. The bill authorizes the state board to enter into a performance contract with up to six district school boards for participation in PAPPI. The term of the program is three years, at which time the performance of all participating schools in the school district must be evaluated. The state board may revoke a district's participation in the program during the term of the program and may renew participation upon expiration of the initial term. The bill specifies deadlines for submission and approval of principal autonomy proposals and requires the state board to adopt rules for administering PAPPI, including criteria for approving proposals.

The bill exempts participating school districts from the K-20 Education Code and state board rules implementing such provisions, except provisions relating to:

- The election and compensation of district school board members, the election or appointment and compensation of district school superintendents, public meetings and public records requirements, financial disclosure, and conflicts of interest.
- The student assessment program, school grading system, and other school improvement and accountability requirements.
- Students with disabilities.
- Civil rights.
- Student health, safety, and welfare.
- The uniform opening date for public schools.

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<sup>19</sup> Section 1012.986(1)-(2), F.S.  
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- Maximum class size, except that compliance for a participating school is calculated at the school-level average, rather than at the individual classroom level.<sup>20</sup>
- Personnel compensation and salary schedules.
- Workforce reductions for annual contracts for instructional personnel, excluding at-will employees.
- Annual contracts for instructional personnel hired on or after July 1, 2011, excluding at-will employees.
- Personnel performance evaluations.
- Educational facilities, excluding provisions governing covered walkways for relocatables and use of relocatable facilities exceeding 20 years of age.
- Administration and implementation of PAPPI by participating school districts.

Each participating school district must require the principal of each participating school to complete the professional development provided through the William Cecil Golden Professional Development Program for School Leaders before participating in PAPPI. In order to provide training designed to equip participating principals with the skills they need to implement increased autonomy, the bill revises the goals of the William Cecil Golden Professional Development Program for School Leaders to include the provision of training to participating principals regarding:

- Managing instructional personnel, including developing a high-performing instructional leadership team.
- Public school budgeting, financial management, and human resources policies and procedures.
- Best practices for the effective exercise of increased budgetary and staffing flexibility to improve student achievement and operational efficiency

Participating school districts must submit an annual report to the state board regarding program implementation. Upon completion of the program's first three-year term, the Commissioner of Education must submit a full evaluation of the program's effectiveness to the President of the Senate and the Speaker of the House of Representatives. This evaluation will allow the Legislature to assess the program's performance and decide whether to continue or repeal the program.

The bill revises existing law governing the personnel duties of school principals and school budgeting and calculation of expenditures to facilitate implementation of PAPPI. Currently, a district school superintendent must consider, but is not bound by, personnel nominations made by school principals. Furthermore, a school principal may only refuse placement of instructional personnel rated needs improvement or unsatisfactory on annual performance evaluations. The bill authorizes the principal of a participating school to:

- Select qualified instructional personnel for placement at the school; and
- Refuse placement or transfer of instructional personnel by the district school superintendent, in any case.

The bill also provides participating principals greater authority to deploy financial resources and control over his or her school's operational budget. Currently, each district school board must allocate to schools within the district an average of 90 percent of the funds generated by all schools and guarantee that each school receives at least 80 percent of the funds generated by that school based upon the Florida Education Finance Program (FEFP), including gross state and local funds, discretionary lottery funds, and funds from the school district's current operating discretionary millage levy. The bill specifies that schools participating in PAPPI must be guaranteed to receive at least 90 percent of the funds generated in the FEFP by that school. Lastly, the bill revises the minimum classroom expenditure requirements for school districts to authorize the inclusion of training required under PAPPI in DOE's calculation of a participating school district's expenditures.

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<sup>20</sup> The Florida Constitution provides that class sizes may not exceed 18 students for prekindergarten through 3<sup>rd</sup> grade; 22 students for 4<sup>th</sup> through 8<sup>th</sup> grades; and 25 students for 9<sup>th</sup> through 12<sup>th</sup> grades. Section 1(a), Art. IX of the State Constitution and s. 1003.03(1), F.S. The law provides for calculation of class size compliance at the school-level average for public schools of choice, including charter schools. Sections 1002.31(5) and 1002.33(16)(b)3., F.S.

**B. SECTION DIRECTORY:**

**Section 1.** Creates s. 1011.6202, F.S., relating to the Principal Autonomy Pilot Program Initiative.

**Section 2.** Amends s. 1011.64, F.S., relating to School district minimum classroom expenditure requirements.

**Section 3.** Amends s. 1011.69, F.S., relating to the Equity in School-Level Funding Act.

**Section 4.** Amends s. 1012.28, F.S., relating to Public school personnel; duties of school principals.

**Section 5.** Amends s. 1012.986, F.S., relating to the William Cecil Golden Professional Development Program for School Leaders.

**Section 6.** Provides an effective date of July 1, 2015.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

None.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

Participation in PAPPI is optional. Several of the requirements for participating in PAPPI will impact budgeting and allocation of resources by participating school districts. Schools participating in PAPPI must be guaranteed to receive at least 90 percent of the funds generated in the FEFP by that school. The current minimum guarantee is 80 percent of such funds. The bill also provides principals of those schools greater authority to deploy financial resources and control over the school's operational budget.

The bill requires the principals of participating schools to complete additional professional development, but provides for inclusion of expenses incurred by participating school districts in DOE's calculation of a participating school district's operating expenditures.

Participating school districts may achieve cost savings resulting from the statutory and rule exemptions granted to them by the bill.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill requires the State Board of Education to adopt rules for administering the Principal Autonomy Pilot Program Initiative, including criteria for approval of school district principal autonomy proposals.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

#### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

On March 4, 2015, the K-12 Subcommittee adopted a proposed committee substitute (PCS) to HB 357 and reported the bill favorably as a committee substitute. The PCS:

- Changed the name of the pilot program from the Charter School District Pilot Program to the Principal Autonomy Pilot Program Initiative.
- Removed provisions stating that a participating school district is exempt from provisions regarding the uniform opening date for schools.
- Revised the statutory exemption regarding maximum class size to state that the compliance calculation for participating schools is the school level average. The original bill allowed calculation at the school level average for all schools in a participating school district.
- Added provisions authorizing the inclusion of professional development provided to participating principals in DOE's calculation of a participating school district's classroom expenditures.

This bill analysis reflects the committee substitute adopted by the K-12 Subcommittee.