

away through a collective bargaining process that leaves trustees nothing to bargain away except their own authority. The need for provincial attention and tutelage therefore remains. And, of course, we underscore that while a centralized approach may serve to bolster management rights with this current government, the same distribution of power can easily be used by a future government to undermine these rights. In other words, all power to the centre is by no means a sure remedy to what ails centre-local relationships and teacher collective bargaining in Ontario, and its application in this context in the next few years merits close scrutiny.

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PUBLIC SCHOOL CONTRACTING

Les auteurs proposent de transformer toutes les écoles publiques en institutions indépendantes, financées suivant le nombre d'étudiants et offrant un plan ou une stratégie d'enseignement établis dans un contrat avec la commission scolaire locale. Le gouvernement financerait la construction des écoles mais ne les exploiterait pas. Toute école financée par des fonds publics et exploitée aux termes d'un contrat avec une commission scolaire dûment constituée serait considérée une école publique. Le modèle proposé par les auteurs établirait une distinction entre la responsabilité à l'égard du financement et de la formulation de la politique générale (qui resterait entre les mains des autorités publiques de l'éducation) et la responsabilité relative à l'exploitation de l'école (qui serait confiée à des intérêts privés).

Despite 10 years of effort, America's big city public schools are still failing, and reformers remain split about what should be done. An effective reform plan must encourage the development of new schools in place of the many failed ones. It should also balance community and family interests in education, by both holding schools to high standards and allowing parents to choose among public schools.

Our book *Reinventing Public Education: How Contracting Can Transform America's Schools* (University of Chicago Press, 1997) proposes a reform plan with all these features. We propose to make every public school an independent organization, funded on a per-student basis and following a teaching plan or philosophy spelled out in a contract with the local public school board. Government would pay for schools but it would not operate them. Our proposal redefines a public school as any school supported with public funds and operating under a contract with a duly constituted public education board. It separates responsibility for funding and establishing general policy (which remain in the hands of public education authorities) from the responsibility for operating schools (which is put into private hands).

The contracting proposal is based on a simple insight about effective public schools. Schools whose students learn quickly and deeply are not uniform products of a bureaucratic culture. This is true for schools that educate the most advantaged children and those most at risk. Virtually all schools that make a dramatic difference in their students' knowledge and abilities have something that sets them apart: a warrant to be different. This warrant supersedes many of the rules that govern the public education system as a whole. Effective schools often select, train and evaluate staff differently than other schools, and make rigorous academic and behavioral demands on students.

The warrants for being different in these ways are essentially contracts, specifying what mission the school will perform, whom it will serve and how, and on what grounds the school's special status will be continued or revoked. Each school's contract would specify the school's mission, instructional emphasis, admissions practices and student outcome expectations. Contracts would run for specific periods and be automatically renewed only if all aspects of performance were satisfactory. Contractors whose performance was mediocre could be forced to compete for renewals.

Any organization able to obtain a business license would be eligible to enter into a contract to manage one or more schools. Contractors could include local neighborhood groups, alliances of teachers and parents now working together in existing public schools, social service agencies, colleges and universities, civic groups, businesses, church groups, teacher cooperatives, teacher unions and ad hoc organizations put together expressly to serve a particular group or use a particular instructional method. Entrepreneurial organizations, such as Sabis International and the Edison Schools could also enter contracts to provide schools.

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Allocation of public funds

Public funds for schools would continue to be raised from a combination of national and provincial or local sources. The local public authority would pay contractors by combining funds from all sources. Contracts would, in the vast majority of cases, be based on a standard local per pupil amount. A local school board would be free, however, to negotiate a slightly higher than average per pupil rate for schools in the lowest income areas, where children often need extra supportive services, and small classes are often necessary.

Schools funding would be based entirely on enrollment. If a school's enrollment fell below a minimum level set by the contract, either party (the contractor or the public education authority) would be free to terminate it. If demand for a school exceeded its capacity a school could, at its discretion, expand or open a new campus.

Content and methods of instruction

Individual schools contracts would become the sole method of public control over a school's curriculum and pedagogy. Contracts would therefore specify the instructional approaches to be used in a particular school and the goals that its students must attain. A local school board could accept proposals formulated by potential school providers; it could also request proposals for a particular kind of school. Thus, a local school board could request proposals for a school that meets a defined need (*e.g.*, for a school emphasizing apprenticeship-style education) or to meet an organized demand (*e.g.*, for a school with high academic standards that emphasizes arts or cultural and historical studies).

State or local school boards could require that all contractors cover certain core subjects, and that all students pass certain examinations, but they could not specify methods and sequences of instruction so tightly that all contractors were all forced to run identical schools.

Teachers

Teachers

Schools, or the contractors that run them, would employ teachers. School contractors would hire teachers on the open market or from a registry of certified teachers. The local public school board could set minimum teacher pay scales, but hiring, promotion and assignment of individuals would be done by the contractor, subject only to laws governing normal private employment. Contractors could also choose to pay extra for teachers with rare or indispensable skills, and to give bonuses for high performance. Teacher groups that became contractors could decide that all should be

paid the same; alternatively, some teachers may act as owners or managers and pay themselves more than other teachers.

School contractors would also decide what mixture of teachers and administrators, aides, and other staff members to employ. A given school might decide to hire a relatively small number of highly paid teachers, or a larger number of cheaper, less-experienced teachers. Most contract schools would, like private schools, live within their budgets by employing a mix of junior and senior staff members, including a few highly experienced mainstays and a larger number of relatively recent college graduates who are current on subject matter but may lack experience in pedagogy.

Student admission

Each school's processes and standards for student admission would be set by its contract. In general, to avoid charges of discrimination, all school contracts would call for admission by random selection from the list of all who apply. No contractor would be allowed to hand-pick students or to set admissions standards not unambiguously derived from the school's mission. Thus, for example, a performing arts school might require auditions, and a school focussed on higher mathematics could require prerequisite courses. But schools could not set admissions requirements based on measures of general academic ability.

Though virtually any student could gain admission to a particular school, the school would be free to impose requirements related to student effort, attendance and deportment, as long as these were explicit up front and

fairly applied. Students who would not do the required work could be suspended or expelled. However, schools would be obligated to publish their methods for helping students experiencing academic difficulty, and would be required by contract to give significant help to students who met all attendance and effort requirements but were still failing classes. The local school board could require, moreover, that a consistent pattern of failure among disadvantaged or minority students would lead to a review of the school's contract.

If contractors were reluctant to operate in low-income areas or serve a primarily disadvantaged clientele, school boards could offer special inducements in the form of higher than average per pupil revenues. Organizations operating more than one school on contract might also be required to run a specified number of schools in low-income or otherwise troubled areas.

Students protections

The local public school board would retain ultimate responsibility for the education and protection of chil-

dren. It would fulfill that responsibility by maintaining a portfolio of contracts serving two objectives: first, to ensure that the local system as a whole offers a range of approaches and services that matches the diversity of needs of local children; and second, to ensure that no child receives a low quality education. The school board would continuously evaluate contractors' performances, both to prepare for the time when a contract must either be renewed or re-competed, and to identify contractors who were not delivering on their promises or, for any reason, failing to produce positive student results.

If a school were found to be failing its students, the school board could demand improvements or replace the contractor with another, higher-performing contractor. Parents could also take their children out of low-performing schools at any time and move them into better-performing schools. Local school boards would be responsible to inform parents whenever a school ran into trouble. They would also need to make sure, by constantly tending the portfolio of contracts, that the children who left a failing school would have some place better to go.

There would still be a need for school superintendents and local district administrative offices. These offices would help school boards analyse needs for new types of schools, identify promising potential contractors, and monitor contract performance. They could also give parents and the public fair, unbiased infor-

mation about school performance. Many of these functions could be performed by contractors, though not the same ones that operate the schools. Given public authorities' tendency to under-fund research

and evaluation, state law might require each local authority to set aside some percentage of their gross revenue, *e.g.*, 2-1/2 percent, for school assessment contracts.

Professional development

Like private schools, schools run under contract would have responsibility for the in-service training of their own teachers, and for quality control. Professional development programs, which in bureaucratic school systems are centrally administered and therefore unresponsive to individual schools needs, would be purchased on the open market at the contractor's discretion.

Performance incentives

Local school boards would play a key role in quality assurance, because they would be charged to replace low-performing contractors, either at the end of their contract terms or earlier, if performance were bad enough.

On the positive side, because the local board's admin-

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istrative office would be reduced to a contracting agency, more money would go directly to the school level. Cutting central office spending by 1/3 would increase school level funding, now approximately 80 percent of total spending, to nearly 90 percent. Schools would also be free to allocate their income as needed: if they chose to spend less on drivers training, substitute teachers or elective courses, and more to hire a highly qualified mathematics teacher or to send a literature teacher for re-training, they could do it.

That contract schools need to attract students also encourages high performance. It both rewards schools that gain reputations for quality and leads to declining enrollments and termination of contracts for schools with bad records. To attract and keep students, a contract school must offer something that sets it apart — a distinctive curriculum, social climate or extracurricular program that attracts the interest of potential students and their parents. It must deliver what it promises and avoid major disruptions in the program. In addition to maintaining a distinctive and consistent program, a school must develop a reputation for quality, such that parents expect their children's opportunities for jobs and higher education to be enhanced, not compromised. It must deliver on its promises well enough to keep current students from transferring out, create brand loyalty among families with several children, and attract enough new families to fill the entering class each year.

The need for product differentiation encourages a number of behaviours that effective schools advocates have tried to create in public school staffs. Teachers would have strong incentives to work in teams and to be concerned about the overall effectiveness of the school.

Contracting and democratic control

Contracting tries to protect schools from the turbulence of educational politics. It does so in part by limiting the inherent powers of school boards: they can change valid contracts only through equitable negotiation with independent parties. Disputes between school operators and school boards could ultimately be decided in civil court, and accumulating case law would further define both parties' contractual obligations.

Nothing can eliminate the political pressures that now lead boards to micromanage schools, but contracting gives school boards a stable and plausible method for managing such political pressures. It does so by building a way around the need to create a broad social consensus on curriculum and pedagogy, by fostering diversity on precisely those issues on which people have the greatest difficulty agreeing. State and local school boards now act as little legislatures, receiving demands from all parts of the community and finding ways to respond, in some minimally acceptable way, to all of them. When boards reach compromises among competing demands, they encode the results in rules that constrain how teachers use their time and specify

how particular issues or groups of students are to be served. The result is control of the schools by multiple uncoordinated mandates and reporting requirements, not by comprehensive plans or designs.

Contracting implies a commitment to a system of individually strong schools. A school would not be required to take actions incompatible with its basic mission or approach. For example, a school commissioned to provide a particular curriculum would not be required to change its curriculum just because one parent complained it did not meet her child's needs. Most importantly, a group that desired a particular form of instruction might be able to obtain it in a particular school, but could not hope to have it mandated for all schools sponsored by the same local school board.

School boards would still have to make some difficult decisions about whether to contract with ideological fringe groups or with people who lack traditional qualifications as educators. Such decisions will inevitably involve balancing the interests of competing groups, i.e. they will be political. But these decisions will define the fringes and boundaries of what can be delivered as public education, not its core.

Conclusion

The contract school idea seeks to restore the partnership between schools and families that has become badly strained during a period of regulatory excess. It recognizes the public interest in schooling, in ensuring that students learn basic skills, prepare for responsible lives as earners and citizens, and understand basic democratic values. It recognizes the family interest in schooling by allowing families to choose among schools that take different approaches to education. Finally, it gives real meaning to the state's commitment to high standards of teaching and learning by giving schools both the freedom and the incentive to improve.

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