PITTSBURGH'S PRINCIPAL INCENTIVE PROGRAM

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A. NEED FOR THE PROJECT

Pittsburgh Public Schools (PPS), an urban school district that is Pennsylvania's second largest, serves 29,445 students in its 65 schools in the 2006-07 school year. Of these schools, 20 are elementary, 19 are K-8, 10 are middle schools, 10 are secondary schools, 2 are alternative programs, and 4 are special schools. PPS's current enrollment is 60.6% African-American, 36.7% white, 1.6% Asian/Pacific Islander, 0.96% Hispanic, and 0.12% Native American.

As measured by free and reduced-price school lunch data, PPS has a high percentage of economically disadvantaged students. As of January 2007, **66% of the district's children are eligible for free and reduced-price lunches**. Of PPS's 65 schools, 64 have percentages of free and reduced-price lunch exceeding 30%, and 10 exceed 90%. (See Appendix 3 for individual school data.) Thus **all but one of PPS's schools fit the definition of "high-need"** (more than 30% enrollment from low-income families, based on free/reduced price lunch data), as required by TIF's Absolute Priority.

PPS exhibits considerable disparities in student achievement, often falling along racial and economic lines. In the 2005-06 school year, in mathematics, 71% of white students were proficient or above on the Pennsylvania System of School Assessment (PSSA), compared with only 41% of African-American students, and only 47% of economically disadvantaged students were proficient or above. In reading, 69% of white students were proficient or above, compared with 40% of African-American students; 42% of economically disadvantaged students were proficient or above. (The PSSA, a set of standardized tests administered annually in all Pennsylvania public schools, determines each school's Adequate Yearly Progress under NCLB.)

With regard to PPS students' academic achievement, however, racial and economic differences do not tell the whole story. Some PPS schools with very high numbers of economically disadvantaged students have performed very well on the PSSA: of 12 schools identified as having more than 90% of students receiving free and reduced-price lunches in the 2005-06 school year, one exceeded state targets

in both mathematics and reading, and five more exceeded state mathematics targets. Of 18 PPS schools reporting PSSA results for African-American students only (indicating very low levels of enrollment by students of other races), two exceeded state targets in both mathematics and reading, and eight more exceeded state targets in mathematics. Thus, achievement differences within PPS schools cannot be adequately explained by racial and economic factors. Administrators' and teachers' professional performance plays a major role in ensuring a school's high achievement.

School completion and attendance are also major issues facing PPS and its students. According to a RAND Corporation study released in 2006, only 64% of PPS students graduate high school within five years, compared to 74% for Pennsylvania as a whole. Rates were significantly lower for males (59%) and African-American students (59%), and some schools reported overall rates as low as 52%. Chronic absenteeism is a problem as well: in 2005-06, more than 14% of students had 20 or more unexcused absences or suspensions, the equivalent of missing school more than one day in ten.

PPS students often face further challenges at home. In the current school year, 78% of students do not live with both parents. In no school do two-parent homes make up a majority, and in 19 of the district's 65 schools, the percentage of children not living with both parents exceeds 90%.

Although PPS faces many of the same problems as other urban districts—academic performance that does not meet state standards, racial and economic achievement gaps, high dropout rates, and home situations that make parental involvement more complicated—today PPS is also uniquely situated for reform. Under the leadership of an energetic **new Superintendent, Mark Roosevelt**, the district has taken bold steps to address its problem of system-wide excess capacity, a consequence of Pittsburgh's shrinking population. With technical support from the RAND Corporation in 2005-06, district leaders examined the effectiveness and usage of each PPS school, identified its level of performance, then either closed or radically restructured those schools that underperformed. As a result, the district closed 22 schools at the end of the 2005-06 school year. While these closings presented challenges, they also have given PPS an

unprecedented opportunity to incorporate best practices into the schools that remain.

Background: Building a Climate of Readiness. PPS's consolidation plan has promoted a climate of readiness for reform, as is evidenced by *Excellence for All*, a four-year comprehensive agenda for the district that was written with input from PPS's school board, teachers, principals, parents, and community members. Unveiled in May 2006, *Excellence for All* has as its goals raising student achievement overall and reducing the racial and economic gaps in achievement. Among other steps, *Excellence for All* commits the district to a plan for reform that includes leadership training for principals and teachers, and holding all PPS staff accountable for students' achievement. Creating incentives for principals to raise school achievement is a key component of this reform agenda.

The groundwork for implementing our reform agenda has been carefully laid. In recent years, for example, PPS has made great strides in strengthening its links with the city's philanthropic community. In November 2005, PPS's Superintendent presented the District's Priority Agenda for Foundation Support to members of local foundations. The foundations then created the *Fund for Excellence in the Pittsburgh Public Schools*. As of January 2007, more than $5.5 million has been pledged by the Fund for Excellence and its partners, which include The Benedum Foundation, The Buhl Foundation, DSF Charitable Foundation, The Grable Foundation, The Heinz Endowments, Jewish Healthcare Foundation, and The Pittsburgh Foundation. Of the funds pledged, more than $3.5 million have been awarded to support new curriculum, professional development, high school reform, and other initiatives.

In December 2006, PPS further strengthened its links to the Pittsburgh community by establishing *The Pittsburgh Promise*, a collaboration between PPS and the City of Pittsburgh designed to make higher education available for all PPS graduates. An integral part of the *Excellence for All* program, The Pittsburgh Promise will use an endowment and private fundraising to make post-secondary schooling at Pennsylvania institutions of higher learning available to PPS graduates regardless of income. The collaboration also benefits the City of Pittsburgh, which anticipates using the highly educated workforce that will be developed

through The Pittsburgh Promise to revitalize the city's economy, while at the same time stabilizing the city's declining population trend by influencing young families' housing and schooling decisions.

Excellence for All has outlined clear, measurable objectives for all of PPS's students, designed to raise achievement levels throughout the district. Among these objectives are increasing the percentage of third-grade students testing as proficient or above on the PSSA in reading from 49% to 80% in four years, doubling the number of students taking Advanced Placement exams and quadrupling the number of African-American students taking these exams, and making incremental PSSA gains of five percentage points per year for African-American students relative to students overall. To achieve these and other ambitious goals, the plan outlines five foundations for success:

(1) "Right-sizing" the district and creating a service-oriented culture;

(2) Developing and delivering rigorous, standards-aligned curricula, assessments, instruction, and professional development;

(3) **Recruiting, training, supporting, and evaluating the district's principals and holding them accountable for achievement in their schools**;

(4) Providing a safe environment for all who learn and work at PPS; and

(5) Building parent and community partnerships.

The district has already taken decisive steps toward strengthening several of these five foundations. In February 2006, as previously noted, the Pittsburgh Board of Education approved the closing of 22 schools in June of that year. Eight others were converted into *Accelerated Learning Academies (ALAs)*, which have an extended school day and a greater focus on core subjects to better help their students achieve. In March 2006, following a report by the Council of the Great City Schools recommending a complete curriculum overhaul for PPS, the district contracted with Kaplan K-12 Learning Services to develop a unified, rigorous, and aligned curriculum for the district as a whole.

Some of PPS's most significant steps have been taken in the area of principal accountability. In April

2006, the Pittsburgh Board of Education approved a plan to create the *Pittsburgh Leadership Academy*,

an instructional leadership program for principals and assistant principals to train them to meet *Excellence*

for All's objectives. Additionally, the principals of the eight newly created ALAs, which opened at the

beginning of 2006-07, were placed on performance-based contracts—the first principals in the district to be

held accountable under such a system. According to a Board resolution passed in January 2006 (see

Appendix 4), principals at the ALAs are eligible for $10,000 in performance incentives per year, based on

the fulfillment of four criteria: (1) gains in student achievement as measured by the PSSA, (2)

implementation of the America's Choice School Reform Model, (3) improvement in school safety and

attendance, and (4) parent and community engagement.

PPS recognizes, however, that much more needs to be done to realize the goals of *Excellence for All*,

especially in the areas of principal accountability and incentives. In a plan announced by the Pittsburgh

Board of Education in July 2006 (see Appendix 5), PPS laid out six steps to be taken this school year:

- Implementing *Excellence for All* through new curricula, opening and operating model schools,
  regularly reporting progress to the public, and expanding intensive professional development for
  teachers and principals;

- **Establishing *School Plans for Excellence (SPEs)* for each of the district's schools, with
  annual goals set by each principal and approved by PPS's Superintendent—the design of
  and progress on these goals to be an integral part of each principal's yearly evaluation**;

- Designing a comprehensive plan for high school reform that will be presented to the Board of
  Education in April 2007;

- Reorganizing the district's finance and budget operations to enhance performance;

- Evaluating PPS operations for savings and efficiencies; and

- **Improving PPS's capacity to make meaningful change in its schools, including moving**

every principal to a performance-based contract like those currently in place for principals of the eight ALAs, and implementing professional development plans that will make these contracts meaningful and effective.

A major part of this year's progress is the development of the ***School Plans for Excellence (SPEs)***, the basis from which each school works toward meeting the district's *Excellence For All* goals and objectives. Each school's SPE systematically describes how the school will meet its goals and objectives; the school's progress on the SPE is then monitored throughout the year by school and district administrators. The SPE provides a school overview, describing areas of strength, potential obstacles, assets, community partnerships, parent engagement, and other information about the school. Also, the SPE requires principals to analyze data and student achievement targets. For each goal of the *Excellence for All* district reform agenda, each school, in its SPE, is required to write action plans to address the 50+ measurable objectives articulated in the agenda. Appendix 6 contains a list of the district's *Excellence for All* goals and objectives.

PPS is now poised and motivated to make meaningful changes in all of its schools, and principal accountability is one of the cornerstones of the agenda. Strides have already been made toward designing professional development plans for principals, evaluating their performance, and holding them directly accountable in their contracts for results in their schools. Additional work in these areas is on schedule for completion in the upcoming months. A major step that still remains, and for which we request funds in this proposal, is finalizing and implementing a sustainable performance-based compensation system for principals throughout our district.

B. PROJECT DESIGN

B(1) Extent to which compensation system will reward principals who raise student achievement.

Leadership is a critical factor in the creation of good schools, and today's school principals must not only develop and sustain a strong organizational structure, but must also consistently set the tone for high

student achievement in their schools. As the role of the principal has evolved over the past 150 years, the principal's duties have expanded to encompass increasingly complex responsibilities that require additional preparation and professional skills. Yet traditional principal salary schedules do not permit compensation of outstanding principals according to their level of success. Further, PPS, like many other districts, is challenged to maintain a meaningful differentiation in compensation between its principals and its highest-paid teachers, the latter of whom benefit from many opportunities to earn extra pay by assuming such roles as Instructional Teacher Leader, summer school teacher, and athletic coach.

As in any other organization, rewarding school principals for success in their work stands to encourage more effective educator-leaders to emerge and remain in the principalship. Therefore, we intend to begin our incentive program with this critical role – a top-down approach that will serve as a model for our district and lay the foundation for moving toward performance-based compensation for teachers. By starting with principals, our system aligns with NCLB, under which the school is the primary unit of educational accountability, since the principal holds primary responsibility for the school's performance.

Although teachers have the most direct interactions with students, principals influence the quality of teaching in a variety of ways. In particular, schools' academic success is strongly associated with the extent to which principals serve as effective instructional leaders, a role that involves communicating goals, evaluating progress toward those goals, monitoring classroom instruction, providing instructional support to teachers, and ensuring a coherent mission and set of programs focused in improving student learning (Heck, 1992; Knapp et al., 2003; Newmann et al., 1989). Principals in well-functioning schools also establish clear and consistent rules and policies, create an environment of trust among staff at all levels, and work to generate community support for the school (Bryk & Schneider, 2002; Hallinger & Heck, 1996; Teske & Schneider, 1999). The effectiveness with which principals carry out these activities influences every other employee's ability to do his or her job.

In addition, as we put in place and refine new instruments for measuring performance, initiating our

incentive-based compensation with principals will help to manage issues of credibility and effectiveness. The credibility and therefore the effectiveness of performance-based compensation depend crucially on the validity and reliability of the measures used to gauge performance. School-based performance measures have a reliability advantage over classroom-based measures because they can include larger numbers of students. Starting with principals has the advantage that each principal oversees the education of hundreds of students. Measures of principal performance based on student achievement will therefore be subject to relatively little random variation from year to year. Such stability will be useful in the early years of the performance-based pay system, while measures are being refined and before they are applied to teachers.

At present, our system of compensating principals is dictated by (1) an incremental step system that annually moves principals across a ten-step schedule without any consideration for performance and (2) periodic across-the-board salary schedule increases determined through a Meet-and-Discuss process between PPS and the Pittsburgh Administrators Association (PAA). The only exception is the previously noted incentive-based plan now in place for principals of the district's eight ALAs, who in our proposed plan will continue to receive their ALA bonus and will also have the opportunity to earn additional bonuses and an increment.

We propose, then, to expand the use of incentive pay in our district by instituting the following **performance-based compensation system for *all* PPS principals**: The new system will reward PPS principals primarily for increases in student achievement (with a bonus of up to $8,000 annually), but will also provide them with the opportunity to earn an additional bonus (up to $2,000 annually) based on their levels of completion of the Action Steps specified in their school's SPE. Based on their levels of mastery of best practices aligned with the Interstate School Leaders Licensure Consortium (ISLLC) Standards for School Leaders (described in section B[4]), and for their assumption of additional professional responsibilities, an annual increment will be rolled into principals' base pay (totaling up to $2,000 for the two latter factors combined).

To develop an evaluation tool to measure mastery of the ISLLC Standards and levels of completion of SPE Action Steps, PPS will expand its relationship with the **RAND Corporation**, a global leader in research and policy analysis, and the **Institute for Learning (IFL)**, a nationally recognized research and development center for instruction and learning. The district will also enter into a new partnership with the **Educational Testing Service (ETS)**, a world-renowned leader in developing performance assessments and training in professional standards. Section B(2) contains a full description of these partnerships.

In order to use this performance-based compensation system and new evaluation tools effectively to benefit PPS schools and students, the district has formulated a set of goals and objectives to ensure that appropriate progress will be made. These goals and objectives outline clear and measurable steps that need to be taken for PPS to ensure the highest-quality education for its students and effective implementation of new standards for principals district-wide.

<u>Project Goals and Objectives</u>

Goal 1: Improve student achievement in all PPS schools by increasing principal effectiveness.

<u>Obj. 1.1</u>: 100% of PPS principals will participate in extensive, high quality professional development on the Interstate School Leaders Licensure Consortium (ISLLC) Standards for School Leaders and the professional practices linked to those standards, as measured by the School Performance Index, version 2 (SPI-2).

<u>Obj. 1.2</u>: 100% of PPS principals will receive formative evaluation on a quarterly basis to measure both their progress towards mastery of the best practices identified in the ISLLC Standards, and their levels of completion of the Action Steps in their SPEs, as measured via an evaluation tool to be developed in spring 2007 in collaboration with ETS, IFL and RAND.

<u>Obj. 1.3</u>: Students in every PPS school will meet the district's academic achievement targets according to the timeline established by the Excellence for All agenda, as measured by the School Performance Index, version 2 (SPI-2).

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Goal 2: Develop and implement a sustainable principal compensation system that rewards principals for increases in student achievement.

Obj. 2.1: 100% of PPS principals will have an opportunity to earn a yearly performance bonus of up to $8,000 based on their school's achievement gains, as measured by the SPI-2.

Obj. 2.2: 100% of PPS principals will have an opportunity to earn a yearly performance bonus of up to $2,000 based on their levels of completion of the Action Steps in their SPEs.

Obj. 2.3: 100% of PPS principals will have an opportunity to earn a yearly increment of up to $2,000 in their base pay, based on an evaluation of their mastery of the best practices identified in the ISLLC Standards and on evidence that they have successfully fulfilled additional leadership responsibilities.

Goal 3: Increase the number of effective principals leading schools with high percentages of poor, minority and disadvantaged students.

Obj. 3.1: The percentage of principals assigned to the district's highest poverty schools who earn the full annual increment for enacting best practices will meet or exceed the percentage of principals assigned to the district's lowest poverty schools who earn that increment.

Obj. 3.2: Adhering to the timeframes established in the *Excellence for All* reform agenda's objectives, the district's socio-economic achievement gap will be closed as proficiency rates in the district's highest-need schools outpace district-wide gains in student academic achievement.

RAND will work with the district to determine the schedule of salary increases and bonuses and determine the associated rewards. We will base the thresholds on pre-testing of the professional standards tool and on the distribution of SPI-2 when calculated based on previous years' scores. Out-year refinements will compensate for any inaccuracies in early predictions.

RAND also will work with ETS and IFL staff to develop the measures of principal practice, and to refine the evaluation tool where appropriate. Although we will strive for consistency of the measure over

time, it is possible that after the first year of implementation small changes will need to be made to enhance its validity and its appropriateness for the PPS context.

B(2) The performance-based principal compensation system and building principals' capacity.

As noted previously, PPS will partner with three nationally known organizations to develop an evaluation tool to measure principals' mastery of the ISLLC Standards and their levels of completion of the Action Steps in their SPEs. What follows is a brief description of each partner, the role each will play in this initiative and, in the case of the first two organizations, a description of its existing partnership with PPS.

The RAND Corporation. Known for its rigorous research standards and policy analysis over the past 60 years, the RAND Corporation, founded in 1948, is a nonprofit institution whose innovative approach to problem solving has become the benchmark for all other "think tanks." RAND's intellectual scope covers such critical social and economic issues as education, poverty, crime, and the environment, as well as a range of national security issues.

PPS's relationship with RAND was born in 2005 of the district's need for a fair way to assess the educational value added by each of its schools. As noted above, PPS consolidated and closed 22 schools after the 2005-06 school year. This much-needed course of action included the elimination of over 10,000 of the district's 13,706 empty seats. To ensure that decisions about school closings and realignments were made in ways that maintained and promoted strong educational offerings, RAND developed a School Performance Index (SPI) that used statistical regression techniques and longitudinal analyses of individual students' achievement over time to estimate each school's contribution to its students' achievement growth.

The district also contracted with RAND to study the dropout rate, conduct an early assessment of curriculum/programs introduced through *Excellence for All*, and revise the SPI ratings in 2006-07. At this writing, the dropout rate study has been released (see p. 2), and the revised SPI is nearly complete.

As previously noted, RAND's role in this project will be to collaborate with IFL and ETS on the development of an evaluation tool to measure principals' mastery of the ISLLC Standards and their levels

of completion of SPE Action Steps. Over the course of the project, RAND will then continue to refine the evaluation tool, as well as assist in determining the performance scale for bonuses and increments. RAND will also provide the district with continued access to updated versions of the SPI value-added rating system (SPI-2), which will serve as the measure of student achievement in each PPS school. In addition, RAND will provide evaluation services for this initiative.

The Institute for Learning (IFL). Founded in 1995 as a partnership of school districts committed to standards-based education and system-wide reform, the Institute for Learning serves as a liaison between its parent institution, the Learning Research and Development Center (LRDC) of the University of Pittsburgh, and educators in school systems nationwide. It bridges the domains of research and practice by conveying to educators the best of current knowledge and research about learning processes and principles of instruction. IFL serves as a think tank, a design center for innovative professional development systems, and an educator of core groups of school and district professionals, providing the resources and training that educators need to enhance learning opportunities for all students.

Over the course of the 2005-06 school year, PPS and IFL partnered on implementation of the Pittsburgh Leadership Academy, which provides monthly instructional leadership training for principals, assistant principals, and central administrative staff on IFL's nine Principles of Learning. These are condensed theoretical statements summarizing decades of learning research that are designed to help educators analyze the quality of instruction and opportunities for learning that they offer to students (see Appendix 7 for a list of the Principles). In addition, IFL provides Content-Focused Coaching coursework for the district's building-level coaches and central administrative staff.

IFL not only will collaborate with RAND and ETS on the development of an evaluation tool to measure principal mastery of the ISLLC Standards and their levels of completion of the Action Steps in their SPE, but will continue to provide professional development to administrators through the Pittsburgh Leadership Academy over the 2007-08 school year. The district anticipates partnering with IFL to implement the

Leadership Academy through the 2010-11 school year. IFL will focus its training on enabling principals to shape their academic leadership skills in ways consistent with the ISLLC Standards and the Principles of Learning (see pp. 15-16 for description of the IFL Leadership Curriculum).

Educational Testing Service (ETS). Founded in 1947, ETS is known for its commitment to providing fair and valid assessments, conducting sound research, advancing learning, and increasing opportunities for students internationally. ETS's products and services measure knowledge and skills, promote learning and educational performance, and support education and professional development worldwide.

ETS will collaborate with RAND and IFL on developing an evaluation tool to measure principals' mastery of the ISLLC Standards and their levels of completion of SPE Action Steps. In addition, ETS will provide intensive professional development to all district principals on linking the ISLLC Standards to practice (see p. 17 for a full description of this training).

Components of the Proposed System

The following is a comprehensive picture of the components of PPS' incentive program and professional development activities for principals. Together, these components combine to form a cohesive model for effective principal development and support.

The Incentive Program:

1. **Achievement Bonus.** Each principal will have the opportunity to earn a bonus of up to $8,000 annually, based on his/her school's student achievement gains.

2. **Professional Bonus for Levels of Completion of SPE Action Steps.** Each principal will have the opportunity to earn a bonus of up to $2,000 annually based on level of completion of SPE Action Steps.

3. **Professional Increment for Mastery of the ISLLC Standards and for Taking on Additional Responsibilities.** Each principal will have the opportunity to earn up to $2,000 annually (to be rolled into his or her base pay) based on mastery of the best practices identified in the ISLLC Standards and on evidence that they have successfully fulfilled additional leadership responsibilities. Eligible additional

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responsibilities that we have identified to date include:

A. *Additional Responsibility Options for All Principals*

- Participating in action research projects in their buildings

- Serving as professional development facilitators in their buildings

- Contributing to the district's professional development distance-learning library (e.g., video library, on-line tutorials)

B. *Additional Responsibility Options for Outstanding Principals*

- Serving as Mentor Principals for teachers who aspire to become administrators (teachers will be assigned to principals for a full year through an Administrator Practitioner program)

- Serving as Cluster Leaders for implementation of practices related to IFL's Principles of Learning (e.g., facilitating school Learning Walks)

- Serving as facilitators of professional development sessions for new administrators, assistant principals, administrative practitioners, curriculum coaches, and the teacher induction program

Our Project Steering Committee [see Section D(1)], in consultation with RAND, will meet in the upcoming months to determine the specific pro-rating of bonuses and increments, which will be calibrated between $0 and the ceiling on each. During this period, we will also finalize our measures for each project objective. What follows is a timeline for finalizing the new pay-for-performance incentive plan.

PROCESS PROPOSED FOR COMPLETING SYSTEM DESIGN

Activity	Timeframe	PPS Personnel Responsible	Participants
Discussion of the ISLLC Standards with the Pittsburgh Administrators Association (PAA) Executive Board	April 2007	Deputy Supt.; Exec. Director of Professional Development; Dir. of Employee Relations & Organization Development	PAA Executive Board; PPS Principals; Exec. Dir. of School Management
Development of the principal leadership evaluation tool	April 2007	Exec. Director of Professional Development; Director of Employee Relations and Organization Development	Representatives from RAND, IFL, ETS, and PAA; Exec. Dir. of School Management
Calibration of bonuses and increment	May 2007	Members of the Project Steering Committee [see Sec.	N/A

		D(1)], in consultation with RAND	
Discussion of the new compensation system (including an overview of the completed principal leadership evaluation tool) with the PAA Executive Board	May 2007	All members of the Project Steering Committee [see Section D(1)]	PAA Executive Board
Presentation of the new compensation system (including an overview of the completed principal leadership evaluation tool) to all principals	June 2007	Deputy Superintendent	Principals; Exec. Directors of School Management

Professional Development to Build the Capacity of Principals:

A critical dimension of implementing our new compensation system for principals will be providing the level of professional development that will enable principals to excel in their work. Therefore, all 67 PPS principals will have an opportunity to participate in intensive, ongoing professional development via IFL and ETS. The curriculum to be offered by each of these organizations is detailed in the tables that follow. (Please note that two of the district's schools, Faison K-8 and Schaeffer K-8, are headed by two principals each; thus, we have 67 principals but only 65 schools.)

The Institute for Learning – Pittsburgh Leadership Academy. The Institute for Learning will continue implementation of the Pittsburgh Leadership Academy for principals and district leaders. In 2007-08, the Academy will focus on enabling principals to act in accordance with the ISLLC Standards and, where necessary, teach them how to do so.

IFL Leadership Curriculum

Role Group	Content	Intended Outcomes
All principals & district leaders	• A review of the Principles of Learning (PoLs) • An introduction to the IFL's Theory of Action • Alignment of practice with the ISLLC Standards • Examination of the pivotal issues related to improving student achievement	Principals will: • Understand the role of the PoLs in creating an effort-based school • Make overt their own theory of action • Understand how the ISLLC Standards tie to practice • Begin to develop action plans that address the five pivotal issues related

	Use of a School Leadership Rubric by each principal to assess his/her own leadership practices • The school as a professional learning community	to improving achievement. • Develop a road map for their professional growth and that of their faculty within a professional learning community
All principals, district leaders & all coaches	• Applied learning theories and applied motivational theories • The role of curriculum and teacher expertise in improving student achievement	Principals will: • Understand how to apply learning theory consistent with the developmental level of the students • Understand the role of professional development in adult learning
All principals & district leaders	• LearningWalks in district schools	Principals will: • Track how the various curricula at the different grade levels are being enacted • Develop feedback letters to staff that moves the work of the school through which they walked
All principals, district leaders & all math coaches	• The study of student work using the IFL *Studying Student Work Protocol* • The role of assessment in powerful teaching and learning	Principals will: • Lead the study of student work in their respective schools • Be conversant with the myriad ways in which teaching and learning both for students and staff can be assessed
All principals, district leaders & all literacy coaches	• Continuation of studying student work using the IFL *Studying Student Work Protocol* • The role of Learning as Apprenticeship in the implementation of curricula	Principals will: • Lead the study of student work in their respective schools. • Recognize the role of apprenticeship in teaching and learning
All principals, district leaders & all coaches	• A revisiting of the School Leadership Rubrics	Principals will: • Revisit the school leadership rubric to assess areas of growth and need

The ETS Pathwise School Leadership Workshop Series. In 2007-08, all principals will participate

in the ETS School Leadership Workshop Series, which is designed to provide school leaders and

leadership candidates with a program supported by an evidence-based framework designed to assist the

leader in promoting the success of all students. The School Leadership Workshop Series is based on:

- *A Framework for School Leaders: Linking the ISLLC Standards to Practice,* Hessel and Holloway, 2001

- *Case Studies in School Leadership: Keys to a Successful Principalship,* Hessel and Holloway, 2002

- *Data-Driven School Improvement Series: Conceptualizing a New Path,* Peter J. Holly, 2003

Each of the ten Pathwise School Leadership Workshops will be 3.5 hours in length. They will be delivered in June and August of 2007, over a total of 5 days that incorporate two sessions each. The ISLLC Standards will be described and applied to practice through a coherent facilitated approach that includes self-assessment, presentation of new information, training and practice, and application. Participants will take away an understanding of how to apply these standards to practice, an understanding of how to reflect on their practice, and useful tools in identifying and correcting issues that adversely impact teaching and learning in their respective schools.

How the School Leadership Workshop Series Will Assist Participants:	Workshops Will Include:	Workshop Outcomes:

• Self-assessment of practice
• Professional development and training
• School improvement planning
• Collaboration with stakeholders and colleagues
• Understanding data-driven school improvement systems
	• Research-based rationale and concepts
	• Tools for
	  o self-assessment
	  o planning for enhancing practice
	  o reflection on professional growth
	• Activities to
	  o personalize practice
	  o gather information on best practices
	  o practice giving and receiving feedback
	  o apply to practice and reflection
		• Self-assessment profile to describe "where I am" in my practice as it relates to the Standards
		• Personal professional development plan
		• School improvement plan

Below is a table presenting the calendar for IFL and ETS trainings.

Implementation Calendar: IFL and ETS Professional Development

Session/Event	Timeframe	Led By	Participants
Pathwise Leadership Training on the ISLLC Standards	3 days (6 half-day sessions) June 2007	ETS	Principals
Train-the-Trainer Sessions on the ISLLC Standards to enable training of assistant principals, new administrators, and administrative practitioners	July 2007	ETS	Central Administrators
Consultation Day with Exec. Dir. of School Mgmnt. on use of the leadership evaluation tool with principals	Aug. 2007	ETS	Deputy Supt. & all Exec. Dir.
Pathwise Leadership Training on the ISLLC Standards	2 days (4 half-day sessions) July 2007	ETS	Principals
Principal Leadership Academy Kick-off	2 days in Aug. 2007	IFL	Principals & district leaders

Principal Leadership Academy	Sept. 2007	IFL	Principals & district leaders
Consultation Day with Executive Directors of School Management on use of the leadership evaluation tool with principals	Oct. 2007	ETS	Deputy Supt. & all Executive Directors
Principal Leadership Academy	Oct.2007	IFL	Principals & district leaders
Principal Leadership Academy	Nov. 2007	IFL	Principals & district leaders
Principal Leadership Academy	Jan. 2008	IFL	Principals & district leaders
Principal Leadership Academy	Feb. 2008	IFL	Principals & district leaders
Consultation Day with Executive Directors of School Management on use of the leadership evaluation tool with principals	March 2008	ETS	Deputy Supt. & all Exec. Dir.
Principal Leadership Academy	April 2008	IFL	Principals & district leaders
Consultation Day on Principals' use of the leadership evaluation tool with assistant principals	May 2008	ETS	Principals
Principal Leadership Academy	May 2008	IFL	Principals & district leaders
Consultation Day with Exec. Dir. of School Mgmnt. on use of the leadership evaluation tool with principals	June 2008	ETS	Deputy Supt. & all Exec. Dir.
Consultation Day on Principals' use of the leadership evaluation tool with assistant principals	Aug. 2008	ETS	Principals

Additional Training for Principals. Intensive training will be provided for principals throughout the life of the grant on the use of data to monitor their progress towards *Excellence for All* goals, make mid-course corrections, and ensure that results are achieved. Facilitated through the district's Office of the Chief of Research, Assessment and Accountability, trainings will address formative assessments supporting K-5 mathematics; the Kaplan Mathematics and English Language Arts curricula at grades 6-12 and the Macmillan Reading curriculum at grades K-5; as well as summative assessments such as the PSSA.

It is important to note that principals participate in two mandatory professional days per month: one dedicated solely to IFL work and the other to district-designed training on student data, curriculum initiatives and implementation, and other district procedures and initiatives such as high school reform, IDEIA updates, and student services training. Additional Professional Development opportunities are also

available for principals on a voluntary basis around employee relations, student data management systems, curriculum initiatives, etc.

B(3) The extent to which the project includes valid and reliable measures of student achievement.

The measures of student achievement that we propose are based on longitudinal measures of student performance on the state assessment test, the PSSA, student performance on other nationally recognized achievement assessments (Terra Nova and New Standards) and on calculations of graduation rates using longitudinal student records. The reliability and validity of the PSSA is fully documented by the Pennsylvania Department of Education through a peer review process in order to be in compliance with the standards set by the U.S. Department of Education. (A report of this initial review can be found at http://www.ed.gov/admins/lead/account/nclbfinalassess/index.html.) The reliability and validity of the other tests is well documented by a long literature provided by their creators and verified by peer reviewed studies. The Terra Nova, for example, is based on the California Achievement Test and reflects the norms of what is being widely taught throughout the country. In addition, because assessment tests are not given after the eleventh grade and because the attainment of a high school diploma is an achievement that is crucial to future success, we also include a measure of each high school principal's success in keeping their students enrolled from ninth grade through graduation.

The School Performance Index, version 2 (SPI-2), will be used to measure each school's contribution to raising student achievement. The original SPI was developed by RAND to measure the value added to the achievement of each student by each of the district's schools and was used as a key input into the district's process of closing over one quarter of its elementary and middle schools at the end of the 2005-2006 school year. In this section, we first describe the original SPI and then describe the planned revisions.

The original SPI used test scores from the spring of 3rd through 11th grade over the six preceding years. These tests included both the state assessment test, the PSSA, and other district-wide standardized tests (Terra Nova and New Standards). The PSSA was administered to grades 3, 5, 8, and 11 only; the

other tests were given to other grades. We used the tests in three distinct analyses: student fixed effects, growth, and cross-sectional, which had the advantage of using different subsets of students, over different years, and relying on different implicit comparisons. K-8, middle and high schools combined all three measures. The growth measure was not used for elementary schools because there was not a kindergarten-entry test available.

Improvements. The SPI-2 will modify and improve the earlier work in a number of ways. First, because of the current focus on the achievement success of each principal, the revised measure will identify the performance of a school only during the tenure of the current principal. Next, it adds information from a kindergarten-entry test, so that a growth measure can be calculated for elementary school. It will add a dropout/graduation measure to the index for high schools so that high school principals are held accountable for all students. It will place more emphasis on the recent years of data, making the measure more sensitive to immediate past performance. Most importantly, it does not rely on a relative measure. Instead, we anchor each year's assessment test to proficiency standards established by the state. The use of scales tied to proficiency removes the zero-sum property within the district that characterized the earlier version of the SPI. By anchoring to an absolute standard, rather than relying on relative performance, it is possible for any number of principals to be judged to have improved the achievement of their students.

These methods have several advantages over purely PVAAS-like systems. (PVAAS is the newly instituted Pennsylvania Value Added Assessment System.) We use grades K-2 and graduation, whereas PVAAS is limited to grades 3 through 11. Also because it includes tests other than PSSA, such as Terra Nova, SPI-2 provides a broader measure of achievement growth and one that is less subject to problems associated with test preparation and narrowing of curriculum.

Our methods are more fully described in our working papers (see Appendix 8).

B(4) Project will develop and implement a fair, rigorous, objective evaluation process for principals.

Having the ISLLC Standards at the foundation of our principal incentive plan supports the development

and implementation of a fair, rigorous and objective process that will respect the complexity and multiple demands of school leadership. Formed in 1994, the Interstate School Leaders Licensure Consortium (ISLLC) is composed of many of the major organizations with a stake in educational leadership, including 30 states, the relevant professional associations (e.g., NASSP, NAESP, AASA) and universities (e.g., NCPEA, AACTE, UCEA). Relying heavily on research on the relationship between educational leadership and productive schools, the ISLLC Standards were built on the following principles:

- Standards should reflect the centrality of student learning

- Standards should acknowledge the changing role of school leadership

- Standards should recognize the collaborative nature of school leadership

- Standards should be high, upgrading the quality of the profession

- Standards should inform performance-based systems of assessment and evaluation for school leaders

- Standards should be integrated and coherent

- Standards should be predicated on the concepts of access, opportunity, and empowerment for all members of the school community.

With the above principles guiding their work, ISLLC developed the following six standards:

Interstate School Leaders Licensure Consortium (ISLLC) Standards for School Leaders	
Standard 1	A school administrator is an educational leader who promotes the success of all students by facilitating the development, articulation, implementation, and stewardship of a vision of learning that is shared and supported by the school community.
Standard 2	A school administrator is an educational leader who promotes the success of all students by advocating, nurturing, and sustaining a school culture and instructional program conducive to student learning and staff professional growth.
Standard 3	A school administrator is an educational leader who promotes the success of all students by ensuring management of the organization, operations, and resources for a safe, efficient, and effective learning environment.
Standard 4	A school administrator is an educational leader who promotes the success of all students by collaborating with families and community members, responding to diverse community interests and needs, and mobilizing community resources.
Standard 5	A school administrator is an educational leader who promotes the success of all students by acting with integrity, with fairness, and in an ethical manner.

Standard 6	A school administrator is an educational leader who promotes the success of all students by understanding, responding to, and influencing the larger political, social, economic, legal, and cultural contexts.

To ensure that the process of developing a principal leadership evaluation tool remains true to the ISLLC Standards, our design team will not only include representatives from the district's central administration and each of our partner organizations, but also from the Pittsburgh Administrators Association. Development of the principal leadership evaluation tool will take place over 2-4 days in April 2007 and will be guided by the ETS publication, *A Framework for School Leaders: Linking the ISLLC Standards to Practice,* which directly translates the ISLLC Standards into the specific responsibilities of school leaders. ETS has extensive experience in the development of assessments linked to the ISLLC Standards, including their management of the work of six of the ISLLC states (District of Columbia, Illinois, Kentucky, Mississippi, Missouri, and North Carolina), which joined together to fund the development of an innovative performance assessment designed for licensure of school principals. (A timeline for development of the principal evaluation tool appeared on pp. 14-15.)

Principals will be evaluated via this new evaluation tool on a quarterly basis (three formative evaluations throughout the school year, plus an annual summative evaluation each June). All evaluations, both formative and summative, will be conducted by the district's three Executive Directors for School Management (K-5/Non ALA; K-8 & ALA; and Middle/Secondary), who will receive extensive training on the proper use of the tool by ETS. The Executive Directors for School Management -- who report to the Deputy Superintendent for Instruction, Assessment and Accountability – are ideally qualified to serve in this capacity, since all previously had distinguished careers as PPS principals, and all possess many years' experience as teachers and administrators in the district. In addition, one of the Executive Directors (K-5/Non-ALA Schools) currently serves as President of the Pennsylvania Association of Elementary & Secondary School Principals.

RAND will spearhead the continuous refinement of the evaluation tool throughout the entire grant period, further developing and validating the tool's capacity to measure both the extent to which principals reach professional standards and their levels of completion of their SPE's Action Steps. RAND will also evaluate the extent to which the tool's content is consistent, not just with the standards but also with what is generally known about effective principal practices.

In addition, RAND will examine the tool's suitability within the PPS context, since it may be necessary to modify specific items to make them fit what the district is doing. For example, in the section that addresses the manner in which principals use data for decision-making, RAND will modify the tool to inquire about the use of specific data tools that PPS has adopted. RAND will also interview a small number of principals and district staff to get feedback on the tool, including whether there are items they would recommend changing, and whether they perceive any conflicts between the standards measured by the draft tool and other programs or initiatives the district is implementing.

C. ADEQUACY OF RESOURCES

C(1) How the applicant will use funds awarded and required matching funds to carry out purpose.

In our application's Budget Narrative, we have included a detailed description of how we arrived at each project cost. Our total five year request for funding is $7,630,942, including a five-year cost projection of $3,645,393 for payments to our 67 principals. [Note: Pittsburgh High School for the Creative and Performing Arts (CAPA) is the only one of our 65 schools with less than 30% of its enrollment from low-income families; thus, it does not qualify for TIF support under the Absolute Priority. Therefore CAPA will be included in this initiative at the district's expense.]

The table below demonstrates the total cost of our program over a five-year time period and illustrates that in each year a decreasing share of funds from the grant will be used to pay for performance incentives.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Total Cost of	$1,516,585	$1,611,046	$1,792,970	$1,993,692	$1,975,213

Program					
Total Cost of Incentives	$414,250	$564,885	$723,053	$888,753	$1,054,452
% of Incentives Covered by Grant	100%	90%	80%	70%	25%

In addition to the cost of principal performance incentives, we have also appropriately allocated funding to cover the salaries and fringe benefits for four positions that will be critical to project implementation: a Project Manager to oversee the initiative's day-to-day operations; a Data Analyst, who will design a software architecture to accumulate the relevant data, use that architecture to gather staff and student data, and map student performance data to staff compensation data; and two post-doctoral fellows, who will develop tools and processes for using data to drive school improvement. Clerical assistance amounting to 1.25 FTE is also requested.

Funds are also requested to support the district's partnerships with RAND and IFL. RAND will provide (1) ongoing refinement of the principal leadership evaluation tool; (2) ongoing refinement of the SPI, the measure that will be used to assess principal performance as it relates to academic achievement; (3) assistance in the design of the payment mechanism that converts performance into bonuses and salary increases; and (4) rigorous evaluation of our project. IFL will provide ongoing professional development to principals and district leadership throughout the first year of the grant.

Finally, funds are requested to support the cost of materials and supplies (computer, printer, general office supplies, etc.) for the four full-time positions noted above.

In each year of the grant, the district will allocate funds directly from our general operating budget to cover an increasing share of funds, for principal performance incentives. By the project's fifth year, we will cover 75% of the cost of these incentives. In addition, the district leaders who sit on our project's Steering Committee will contribute a significant amount of time and support to the project on an in-kind basis.

C(2) Detailed plan, including documentation of resources, for sustaining compensation system.

In July 2006, the Pittsburgh Board of Education issued a resolution mandating that in addition to the principals of the district's ALAs, the Superintendent put "every other school principal …on a performance-based contract tied directly to the District's academic and financial goals." This resolution is evidence of PPS's commitment to our principal incentive program and further assurance that the Board clearly intends to cover 100% of differentiated compensation costs after the five-year grant period. Funds will be allocated directly from the district's general operating budget and will include all support necessary to cover the incentive costs, in addition to all costs associated with maintaining the program's infrastructure. Appendix 2 contains a letter from PPS's Superintendent, in which he emphasizes the district's commitment to sustaining this program.

C(3) Current data management capacity and proposed areas of data management development.

PPS's existing data-management capacity, combined with the system's potential for further development to enhance functionality, places the district in an unusually strong position to implement a performance-based compensation system with the attributes described in this proposal. The project will utilize the strengths of PPS's Real Time Information ((RTI), a Web-based, password-protected online student information management system developed by the district (a fuller description of this system appears in Gill and Engberg, 2005).

Together, these solutions will enable us to manage all data required to:

- Determine the level of each school's student achievement gains and attainment of Academic Targets set in the individual School Plan for Excellence, and calculate prorated bonuses for principals accordingly

- Determine each principal's level of completion of SPE Action Steps in his or her school, and calculate corresponding prorated bonuses

- Evaluate principals on their mastery of best practices identified in the ISLLC Standards and track

their successful fulfillment of the additional leadership responsibilities they have assumed, and

calculate the appropriate yearly increments these changes merit

All data relating to principals' progress toward meeting the ISLLC Standards and fulfilling additional

leadership responsibilities, as well as all data relating to student achievement in PPS schools, will be

collected, housed, and updated in RTI. The system now includes all aspects of current and historical

student data including demographics (gender, race, disability, etc.), socioeconomic status, student

enrollment records, attendance, grades, misconduct, special education, management of school-based

programs, the magnet school application process, and a variety of assessment data. Additional functionality

will be built over the life of the project to permit value-added assessment and return-on-investment

analyses. RAND will supply the calculations necessary to determine value-added school-level results.

As PPS's centralized information repository providing real time information analysis, RTI currently

features:

- Both data record collection and data reports/mining capacity

- Completion, maintenance and oversight of the school strategic planning process utilizing the

  School Plans for Excellence (SPEs)

- Multiple near-real-time links to interface with a variety of other student/employee systems such as

  the PeopleSoft human resources and financial system, Windows Active Directory, Dashboard

  parent/teacher portal, and the PPS ORALS world language exam

- Automated user security and account management initiated at each employee's hiring, in which

  RTI acts as a bridge to feed other systems' user and student management interfaces

- Automated state compliance reporting

- Individual student data maintained and updated over the lifetime of a student's education in PPS

- Numerous dynamic and exportable applications to facilitate both individual and group instructional

support, such as management of school-based programs, creation of dynamic surveys, strategic

planning functionality, and checklist generation and reporting (now used by PPS's Early Childhood

Education program to measure students' kindergarten readiness and teachers' curriculum

implementation and instructional practices)

- Advanced system architecture which results in a highly scalable solution

Within RTI, program code management enables us to tag students in multiple programs within the

data system so that attendance, achievement, and other necessary data points can be attached to

particular programs. Also, the RTI system has the capability of aggregating evaluation data gathered via

the development of checklists, a feature that will prove invaluable in permitting program management to

streamline the Executive Directors' task in conducting quarterly evaluations of principals. Lastly, a link that

already has been established between RTI and PeopleSoft can serve as the foundation for developing,

across the life of this project, a system of automatic and accurate calculation of principals' incentive

payments, with reports to be generated to permit appropriate oversight of this process.

Grant funds will support a Data Analyst position to formulate the software architecture and data to

implement value-added assessment and return on investment functionalities (see Appendix 9 for job

description). Funds are also requested for hardware, specialized software, and operational support costs.

D. QUALITY OF THE MANAGEMENT PLAN AND KEY PERSONNEL

D(1) The adequacy of the management plan.

A **Project Steering Committee**, to be chaired by PPS's Deputy Superintendent for Instruction,

Assessment and Accountability, will be formed to provide oversight to this project. Membership on the

Steering Committee will include PPS senior management as well as representatives of all key

stakeholders, including:

- PPS Deputy Superintendent for Instruction, Assessment, and Accountability (Committee Chair)

- PPS Chief of Research, Assessment, and Accountability

- PPS Chief Information Officer

- PPS Chief of Human Resources

- PPS Executive Director of Professional Development and National Board Certification

- Representative of PPS Executive Directors for School Management (this membership will rotate among the Executive Director for K-5/non ALA, the Executive Director for K-8 & ALAs, and the Executive Director for Middle/Secondary)

- Representative of PPS Principals

- Representative of the Pittsburgh Administrators Association

- Representative of PPS Teachers

- The Project Evaluator

The district's Office of Budget Development and Management Services will also consult with the Committee on an as-needed basis regarding all financial matters related to the project.

The Steering Committee will meet at least monthly during Year 1, monthly during Year 2, and quarterly thereafter, for the purposes of:

- Monitoring implementation of the incentive program

- Reviewing, on an ongoing basis, the findings of the Project Evaluator

- Making any needed adjustments in the program plan in a timely manner

- Reporting on ongoing networking activities with other TIF grant recipients, and sharing successful approaches and lessons learned

- Maintaining and extending constituent and community support for the project

- Resolving specific project-related issues as they arise

Additionally, in Year 1, the Committee will interview applicants and select a successful candidate for the

position of **Project Manager (1.0 FTE)**. The Project Manager – who will report directly to the Deputy Superintendent for Instruction, Assessment, and Accountability – will oversee the initiative's day-to-day operations throughout the grant period and staff the Project Steering Committee. The Project Manager position will be filled by a person who holds a graduate degree in a field related to the project and possesses solid experience in project management. Preference will be given to candidates with knowledge of school management, professional development, and/or performance-based incentives. See Appendix 9 for detailed job description.

Finally, the Steering Committee will host an annual **Conference on Pay-for-Performance**. In Year 1, grantees from both the first and second rounds of the TIF competition will be invited to a two-day conference in Pittsburgh that will enable networking and sharing of best practices. In subsequent years, invitations will also be extended to non-grantees. The conference will include both plenary sessions (e.g., formal presentations by evaluators and consultants working with PPS and other grantee districts) and breakout sessions on topics such as quality performance measurement and data collection, and performance-based systems and information technology. One major objective of the conference will be to inspire participants to collaborate on the development of papers for publication in academic journals that aim to improve the knowledge base about best practices in education.

A table that indicates how the objectives of the project will be accomplished on time and within budget, and that delineates responsibilities, timelines, milestones, and processes for continuous improvement, appears on pages 35-57.

D(2) The qualifications, including experience, education, and training of all proposed personnel.

Linda Lane, Ed.D., PPS's Deputy Superintendent for Instruction, Assessment and Accountability, will chair the **Project Steering Committee**. In her role as **Chairperson**, she will be responsible for convening the Committee, developing its calendar of regular meetings, presiding over the Committee's deliberations, and disseminating meeting minutes. She will also oversee the work of the

Project Manager.

Dr. Lane has served as Deputy Superintendent of the Pittsburgh Public Schools since January of 2007, after serving in the same role for three years in the Des Moines public schools in Des Moines, Iowa. As PPS's Deputy Superintendent, she is responsible for all academic areas of the district, PreK to 12. Dr. Lane is a lifelong educator, beginning her professional career as an elementary teacher, and working as a district level administrator since 1982. She earned her Ed.D. in the area of Educational Leadership in 2006. Her extensive experience in positions of responsibility for Human Resources, as well as her years as a school district's Chief Operating Officer and Deputy Superintendent, ideally position her to understand and oversee the multiple aspects of Pittsburgh's TIF project. (See Appendix 1 for resume.)

The following paragraphs describe the qualifications of other key Steering Committee members. The remainder of this section describes additional key personnel who will not serve on the Steering Committee.

Paulette M. Poncelet, Ph.D., PPS's Chief of Research, Assessment and Accountability – Formerly the Director of Research and Evaluation in the Cleveland Municipal School District, Dr. Poncelet came to PPS in January 2007. As PPS's Chief of Research, Assessment and Accountability, Dr. Poncelet is responsible for providing data and information to the Superintendent that supports the selection and implementation of appropriate measures for the assessment of student achievement, as well as of school and classroom instructional programs operating in the district. Her role on this project's Steering Committee will include ensuring that principals have the necessary training and data to use student achievement results to change instruction in the classroom.

In her previous work, Dr. Poncelet oversaw and conducted evaluations in the Cleveland Municipal School District that informed the district's decisions with supporting research and evaluation efforts. She also conducted that district's evaluation of its K-8 restructuring plan, which looked at the impact of phasing out middle schools and the phasing in of K-8 schools. Dr. Poncelet holds a Ph.D. in Education Policy from Cleveland State University, as well as a B.A in Sociology and an M.S. in Technical Education with a

specialization in Curriculum and Instruction from the University of Akron. (See Appendix 1 for resume.)

Lawrence "Bud" Bergie, **Chief Information Officer** – As the school district's CIO, Mr. Bergie is responsible for all information technology, hardware/software, infrastructure, development, telecommunications, and data management for all academic and administrative services district-wide. Mr. Bergie's membership on the Steering Committee will ensure that the achievement- and personnel-related data required for the project are readily obtainable, and that the Committee's decisions with regard to use of information and technology in the project are informed by his expertise and can be readily translated into action. Mr. Bergie will bring to the Steering Committee the insights afforded by his wide-ranging experience of data-management challenges and solutions in diverse settings. Before coming to PPS in February 2007, Mr. Bergie held positions as a Senior Consulting Partner with Sapient Consulting Group, LLC, Chicago, Illinois; Chief Information Officer for Kable News Company, Mt. Morris, Illinois; and Senior Vice President, Information Systems and Data Systems Integration, Southeast Region, for Professional Service Industries, Inc., Lombard, Illinois. Originally of Canada and now a permanent resident of the U.S., Mr. Bergie received a Bachelor of Civil Engineering from McMaster University, Hamilton, Ontario and a Master's degree in Chemical Engineering from the University of Toronto, Toronto, Ontario. (See Appendix 1 for resume.)

Jerri L. Lippert, Ed.D., Executive Director of Professional Development & National Board of Teacher Certification – As a recent PPS principal and assistant principal, Dr. Lippert brings to the table an insider's understanding of the challenges PPS school leaders face, as well as in-depth knowledge of the city and region. Her current role as head of the district's newly created Office of Professional Development and National Teacher Board Certification, with responsibility for implementation of the Pittsburgh Leadership Academy and coordination of principal training on the ISLLC Standards, will enable her to ensure that the Steering Committee is fully cognizant of current PPS professional development efforts and plans. A former teacher of Physical Education, Dr. Lippert holds a B.S. in Movement Science, a Master of Arts in Teaching, and an Ed.D., all from the University of Pittsburgh. (See Appendix 1 for resume.)

Frank Chester, Chief Human Resources Officer – With responsibility for PPS's Office of Human Resources, Mr. Chester brings to the Steering Committee the benefits of over thirty years' experience in dealing with all matters of compensation policy and administration. He brings particular expertise in the development of metrics to track the achievement of human resource goals, as well as first-hand knowledge of the uses of computer-based personnel systems gained through serving as a founding board member of Online Career Center, which later became Monster.com. Before coming to PPS in 2006, Mr. Chester was for eleven years a Consultant/Partner and Co-Founder of The Libra Group of Charlotte, NC, providing coaching and mentoring to senior-level executives and managers. Prior to that, he served as the Director of Human Resources for Cummins Engine Company of Columbus, IN, and as Human Resources Manager for CPC International, FMC, and Procter and Gamble.

John B. Engberg, Ph.D., of the **RAND Corporation** will serve on the project's Steering Committee in his capacity as **Project Evaluator**. Dr. Engberg is an economist who specializes in applied statistical methods and microeconomics. He holds a Ph.D. in labor economics from the University of Wisconsin - Madison. Prior to joining RAND, he was an associate professor of economics at the Heinz School of Public Policy and Management at Carnegie Mellon University. Dr. Engberg's research spans the areas of labor markets, education, economic development, crime and health. His work has been supported by many foundations and agencies including the National Science Foundation, the Centers for Medicare and Medicaid Services, and the Agency for Healthcare Research and Quality, and has been published in many scholarly journals including *Addiction,* the *Journal of Public Policy and Management,* and *Health Services Research.* His recent and ongoing education projects include providing research support to PPS during its recent major restructuring and leading RAND's oversight of the creation of a data warehouse in support of K-12 education reform in the Middle Eastern nation of Qatar. (See Appendix 1 for resume.)

Representatives of Key Groups. In addition to the above individuals, representatives from four key stakeholder groups will serve on the project's Steering Committee.

- The PPS Executive Directors for School Management – This membership will rotate among three administrators: the Executive Director for K-5/Non ALA Schools, the Executive Director for K-8 Schools and ALAs, and the Executive Director for Middle/Secondary Schools.

- The Pittsburgh Administrators Association (PAA) – This group serves as the professional organization for PPS administrators at all levels. Membership is voluntary; currently over half of the district's administrators belong to the PAA.

- All PPS Principals

- All PPS Teachers

Other Key Project Personnel

Two Post-Doctoral Fellows. In addition to the Project Manager and Data Management Specialist noted previously, two post-doctoral fellows with specific expertise in school leadership training and the use of data for instructional decision-making/monitoring for change will be hired to assist in project implementation. They will work with the district's Chief of Research, Assessment and Accountability to increase principals' effectiveness, and will assist her in developing tools and processes for using data to drive school improvement. The tools and professional development to be designed will address the use of both formative and summative data to guide reflective practice among teacher teams, in order to improve schools' execution and monitoring of *Excellence for All* strategies.

RAND Consultants. Along with Dr. Engberg, two other investigators from the RAND Corporation will play key roles in the project.

Laura Hamilton, Ph.D. (Educational Psychology, Stanford University) is a Senior Behavioral Scientist at RAND, where she conducts research on educational assessment, accountability, instructional practices, and school reform implementation. She directs or co-directs several large-scale evaluations, including an evaluation of systemic reforms in mathematics and science and a study of the implementation of standards-

based accountability in response to the No Child Left Behind legislation. Much of her work focuses on the validity and effects of large-scale achievement testing and on the development of measures of instructional practice, particularly in mathematics and science. She has served on several national and state panels, including the Brookings National Commission on Choice in K-12 Education, the Center on Education Policy's Panel on High School Exit Examinations, and the Data Systems Panel of the Public Forum on School Accountability. In addition to her Ph.D. in educational psychology, Dr. Hamilton also has an M.S. in statistics from Stanford University. In this project, she will lead RAND's work to develop the tool for assessing principals' attainment of professional standards and will participate in project evaluation.

Brian Gill, **Ph.D.** (Jurisprudence and Social Policy, University of California, Berkeley; J.D., Boalt Hall School of Law, UC Berkeley) is a Senior Social Scientist who studies education policy at RAND. His research focuses on parental choice in schooling, the implementation and scale-up of educational reforms, and homework. He is lead author of *Rhetoric vs. Reality: What We Know and What We Need to Know About Vouchers and Charter Schools* (2001), and is a co-author of RAND's 2003 report on charter schools in California. Dr. Gill was a member of the National Commission on Choice in K-12 Education at the Brookings Institution, and is currently serving as senior advisor for school choice issues on the U.S. Department of Education's National Longitudinal Study of No Child Left Behind. He is co-principal investigator in an ongoing RAND evaluation of Edison Schools, the nation's largest for-profit operator of public schools. He is also co-principal investigator on a National Science Foundation study of the scale-up of elementary-grade mathematics curricula. Dr. Gill's research with historian Steve Schlossman examines parent-state relationships in schooling through the prism of homework, viewing homework as a means of communication from school to parents and a window on larger battles over control of a child's education. Locally, Dr. Gill led RAND's effort to assist the Pittsburgh Mayor's Commission on Public Education as well as an evaluation of a major regional initiative in early childhood education. Dr. Gill will play an advisory role on all aspects of RAND's work on this project.

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Pittsburgh's Principal Incentive Program

Goals:

- Improve student achievement in all PPS schools by increasing principal effectiveness.

- Develop and implement a sustainable principal compensation system that rewards principals for increases in student achievement.

- Increase the number of effective principals leading schools with high percentages of poor, minority and disadvantaged students.

Project Year 1

Action Steps/Milestones	Personnel Responsible	Additional Resources	Date of Completion
Formation of Project Steering Committee: this group will meet on an as-needed and monthly basis the first year of the project, monthly year 2, quarterly years 3-5.	Deputy Superintendent		Upon award notification
Recruit and hire project manager, data analyst & post-doc. fellows	Chief of HR	Exec. Directors	Upon award notific.
Begin program evaluation activities	RAND	Chief of Research, Assessment & Accountability	June 2007
Professional Development for Exec. Directors on working with principals on their development and implementation of their SPE	Deputy Supt.		Through August 2007
Pathwise training on the ISLLC Standards	ETS		June 2007
Review of Evaluation Tool	Steering Committee		June 2007
Presentation of Tool to Principals	Deputy Supt.	Ex.Dirs.; Steering Com.	June 2007
Develop Communication plans for principals, teachers, Board of Directors, community & other participating districts/grant recipients	Project Manager	Steering Committee; Public Relations & Marketing	July 2007
Train-the-trainer session on ISLLC Stand. for central administrators	ETS		July 2007
Prof. Dev. for Principals, School Leadership Workshops	ETS; Exec. Dir., PD		June, Aug. 2007
Training on use of tool for Exec. Dir. & other senior staff	ETS	Steering Committee	Aug. & Oct. 2007; Mar. & June 2008
Pittsburgh Leadership Academy, Principles of Learning	IFL; Exec. Dir., PD	Steering Committee	Ongoing from Aug.

Action Steps/Milestones	Personnel Responsible	Additional Resources	Date of Completion
Review progress toward achievement of project goals; modify project implementation activities as needed to stay on course	Steering Committee	RAND Evaluation Consultants	Sept. 2007 and quarterly thereafter
Review of SPEs with principals	Exec. Directors	Dep. Supt.; Ch., R., A. & A.	October 30, 2007
Devel. of Profess. Growth Plans by principals; identify addit'l duties	Exec. Directors	Deputy Supt.	September 4, 2007
Formative and summative assessments of principals completed	Exec. Directors	Deputy Supt.	Oct. 2007; Jan., Mar., June 2008
Update SPI-2	RAND	Chief of R., A. & A.	Winter 2008
Training of current principals on use of eval. tool w/ asst. principals	ETS		May 2008

Project Years 2-5

Action Steps/Milestones	Personnel Responsible	Additional Resources	Date of Completion
Training of *new* principals in ISSLC standards and evaluation tool, Updating for veteran principals	Exec. Dir., PD	IFL, ETS	July 2008
Assessment Data Collection and analysis	Chief of R., A. & A.; Proj. Mgr; Data Analyst		July 2008
Based on updated data, revise SPEs	Principals	Executive Directors	July 1, 2008
Plan and sponsor two-day grantees conference to disseminate best practices in P4P, and evaluate. This would become annual, based on evaluation results.	Steering Committee		August 2008
Calculation of bonus and increments, payments to principals based on SPI, evaluation tool data	Project Manager; HR; RAND	Steering Committee	August 31, 2008
Get feedback from principals; consider poss. revisions	Project Manager	Steering Committee	Sept. 28, 2008
Review progress toward achievement of project goals; modify project implementation activities as needed to stay on course	Steering Committee	RAND Evaluation Consultants	Quarterly throughout remainder of project
Communicate with Grantor re: any proposed revisions	Project Manager	Steering Committee	October 2008
Steering Committee Meetings	Deputy Superintendent		Monthly
Principal Communication, Board Communication	Project Manager	Exec. Directors	Monthly
Principal Prof. Dev. in data use, SPE enhancement, &	Exec. Dir., PD	IFL	Monthly

Action Steps/Milestones	Personnel Responsible	Additional Resources	Date of Completion
other aspects of instruct. leadership			
Professional Development for Exec. Dirs., Deputy Supt.	Exec. Dir., PD; Deputy Supt.		Monthly
Collect student assessment data	Chief of R., A. & A.	CIO	Summative annually
Update SPI tool	RAND	Chief of R., A. & A.	Annually (winter)
Recalculation of SPIs	RAND; Project Manager		August Annually
Updating of SPEs based on student data, SPI	Principals		July Annually
Evaluation of Principals on ISLLC standards	Executive Directors	Deputy Supt.	Formative ea. quarter, Summative annually
Communication to Principals on program	Project Manager	Steering Comm.; PAA	Monthly
Development of Professional Growth Plans by principals, include plan for additional duties	Executive Directors		Annually
Training of new principals in ISSLC standards & eval. tool	Exec. Dir., PD	IFL, ETS	Annually
Conference on P4P; would incl. non-grantee districts after Year 1	Steering Committee		Annually
Build increasing amounts of program costs into district budget planning	Deputy Supt.		Annually
Calculation of bonus and increments, payments to principals based on SPI, evaluation tool data	Project Manager; Human Resources; RAND	Steering Committee	Annually
Gather feedback from principals, consider poss. revisions	Project Manager	Steering Committee	Annually
Issue reports and disseminate findings; submit articles to appropriate professional journals	Project Manager; Deputy Supt.	Steering Committee	Annual interim & final reports as required

E. EVALUATION

E(1) Use of objective qualitative and quantitative measures related to student achievement & principal effectiveness

RAND will act as evaluator for this initiative, assessing the implementation and effectiveness of the comprehensive compensation plan and the accompanying professional development. Although RAND is also involved in some development and validation aspects of the project, it will be removed from day-to-day decisions and interactions with principals (other than for evaluative purposes). Therefore, it will be able to maintain its treasured objectivity as an evaluator.

The evaluation plan involves the use of objective measures of both the process of implementing the comprehensive compensation system and the changes in principal behavior and student achievement that are program outcomes. Evaluation of the implementation process will consist of tracking PPS's creation and use of the compensation system's components and comparing their progress to success criteria defined below in Table E.1. The evaluation of program outcomes involves measuring principal attitudes and behaviors and tracking changes in student achievement. Table E.1 lists the objectives, success criteria and evaluation methods for the process component. The objectives are aligned with the project's overall objectives described in Section B.1. In this table, only the process aspects of the objectives are addressed.

Table E.1 Process Evaluation Objectives, Criteria and Methods

Process Objective	Success Criteria	Year	Evaluation Method
Goal1: **Improve student achievement in all PPS schools by increasing principal effectiveness**			
Objective 1.1: Principal particip. in standards-based professional devel.	a) Creation of appropriate professional development program b) 100% of principals will participate in program	a) Yr. 1 b) Yr. 1-5	Tracking of availability of and participation in principal professional development
Objective 1.2: Admin.of formative eval. to principals	a) development of formative evaluation tool b) 100% quarterly administration of tool	a) Yr. 1 b) Yr. 1-5	Tracking of devel. & admin.of formative evaluation tool
Objective 1.3: Value-added achieve. measure for each school	a) development of SPI-2 achievement measure b) annual recalculation of SPI-2 achievement measure	a) Yr. 1 b) Yr. 1-5	Tracking of development and implementation of SPI-2

Goal 2: Develop and implement a sustainable principal compensation system that rewards principals for increases in student achievement.			
Objective 2.1: Achievement gain bonus of up to $8,000	a) development of SPI-2 measures b) development of bonus formula based on SPI-2 c) dissemination of information about bonus system	a) & b) Yr. 1 c) Years 1-5	Tracking of development and communication of SPI-2 measure & bonus formula
Objective 2.2: School Plans for Excell. increment of up to $2000	a) development of increment formula based on SPE action steps b) dissemination of information about SPE increment	a) Yr. 1 b) Yr. 1-5	Tracking of devel. & communication of SPE increment formula
Objective 2.3: Professional standards and leadership salary increment of up to $2000	a) development of increment formula based on formative evaluation tool b) development of increment formula based on evidence of add'l leadership c) dissem. of information about profess. standards & leadership increment	a) & b) Yr. 1 c) Yr. 1-5	Tracking of development and communication of professional standards and leadership increment
Goal 3: Increase the number of effective principals leading schools with high percentages of poor, minority and disadvantaged students.			
Objective 3.1: Schools with high rates of poverty have effective principals	a) development of process for providing supplemental assistance to principals at high poverty schools b) dissemination of information about principal assistance process	a) Yr. 1 b) Yr. 1-5	Tracking of development and communication of supplemental principal assistance
Objective 3.2: Reduce socio-economic achievement gap	a) devel. of review process for meeting timeframe for closing socio-economic gaps that are contained in the *Excellence for All* reform agenda	a) Yr. 1-5	Tracking the implementation of the review process

Table E.2 outlines the outcomes that are expected to be obtained through the implementation of a comprehensive performance based compensation system, the success criteria and the evaluation method. Our outcome evaluation methods are introduced in the following paragraphs and enumerated in Table E.2.

Through a combination of paper-and-pencil surveys and in-person interviews, we will gather information about principals' attitudes toward the compensation system as well as their responses to the incentives. Research suggests that incentives are most effective when participants view the targets as realistic and believe they have the capacity to meet those targets (Kelley, Heneman, & Milanowski, 2002). The perceived fairness and accuracy of the performance measure is also important for ensuring that participants are motivated by the incentives (Milanowski, 1999), so it will be useful to assess principals'

support for the performance-based compensation system and to examine changes in the level of support as the system matures. Although the evaluation tool will provide evidence of principals' practices and how they change over time, it would also be worth asking principals how they believe their practices have changed and how hard they are working to achieve the incentives. It will be especially important to examine any changes that might be designed to maximize scores on the achievement measure or evaluation tool but that are not consistent with effective leadership practice. We will use measures of attitudes and responses that have been developed and validated in other studies, most recently as part of the IES-funded National Center on Performance Incentives at Vanderbilt University.

Through an interrupted time-series analysis of student achievement, we will examine the change in the growth of achievement as the compensation system is implemented. An increase in the growth of achievement following implementation will be evidence of a successful intervention.

Using a differences-in-differences approach, we will also compare the changes in student achievement growth among subsets of principals. For example, principals are likely to differ in their responsiveness to the proposed incentives based on their current compensation level, their previously expected raises under the step system, their tenure, and their expectations regarding their ability to affect student achievement. We will examine whether any of these are associated with changes in growth of student achievement.

We will also examine the correlation of the three components of the rewards under the new compensation system. We would expect principals who receive a large professional standards increment to also receive a large student achievement bonus because the professional standards increment is based on the adherence to standards that are intended to increase student achievement.

Table E.2 Program Outcomes, Success Criteria and Evaluation Methods

Program Outcome	Success Criteria	Year	Evaluation Method
Goal1: **Improve student achievement in all PPS schools by increasing principal effectiveness**			
Objective 1.1: Improve principal effectiveness through participation in	a) Participation in training leads to high level of standards-based practices b) Participation in training leads to	Yr. 1-5	Analysis of pencil and paper surveys and formative evaluation

standards-based professional devel.	improved attitudes regarding own ability to effect change		tool data
Objective 1.2: Improve principal effectiveness through formative evaluation	a) Feedback from formative evaluation leads to increased level of standards-based practices b) Feedback from formative evaluation leads to improved attitudes regarding own ability to effect change	Yr. 1-5	Analysis of pencil and paper surveys and formative evaluation tool data
Objective 1.3: Improve student achievement	a) Improve student achievement according to *Excellence for All* timeline	Yr. 1-5	Analysis of SPI-2 longitudinal measures of student achievement
Goal 2: Develop and implement a sustainable principal compensation system that rewards principals for increases in student achievement.			
Objective 2.1: Increased compensation for principals producing achievement gains	a) Increasing proportion of compensation budget is provided to principals that produce high achievement gains and meet academic targets	Yr. 1-5	Analysis of SPI-2 longitudinal measures, acad. target measures and compensation data; analysis of separations & reassign. of principals
Objective 2.2: Increased compensation for principals completing SPE action steps	a) Increasing proportion of compensation budget is provided to principals that complete SPE action steps	Yr. 1-5	Analysis of SPE attainment measures and compensation data; analysis of separations & reassign. of principals
Objective 2.3: Increased compens. for principals with mastery of professional standards and improved leadership	a) Increasing proportion of compensation budget is provided to principals that attain high ratings on formative evaluation tool and show evidence of additional leadership	Yr. 1-5	Analysis of formative evaluation data, leadership evidence and compensation data; analysis of separations & reassign. of principals
Goal 3: Increase the number of effective principals leading schools with high percentages of poor, minority and disadvantaged students.			
Objective 3.1: Schools with high rates of poverty have effective principals	a) % of principals at PPS's highest-poverty schools who earn full annual increment for enacting best practices = the % of principals at PPS's lowest-poverty schools who earn that increment.	Yr. 1-5	Analysis of formative eval. data, compens. data and school poverty measure; analysis of separations & assignment of principals
Objective 3.2: Reduce socio-economic achievement gap	a) Increases in proficiency rates in the district's highest need schools outpace district-wide gains in student academic achievement.	Yr. 1-5	Analysis of SPI-2 longitudinal measures, acad. target measures and measures of need

E(2) Adequate evaluation procedures for ensuring feedback and continuous improvement.

Dr. John Engberg of RAND, the lead on the evaluation team, will sit on the project's Steering

Committee, providing a direct channel for feedback from the evaluation to the operation of the project. The

evaluation team will provide quarterly written updates to the Steering Committee that will document the

progress toward attaining the objectives and desired outcomes outlined above. The Steering Committee

will designate a portion of their agenda for addressing concerns raised by these reports. In particular, each

of the tracking activities enumerated in Table E.1 will be reviewed quarterly by the Steering Committee.

E(3) The extent to which the applicant commits to participating in a rigorous national evaluation.

The Steering Committee will take responsibility for ensuring full cooperation with the national evaluation

of projects funded under the Teacher Incentive Fund Program. We acknowledge the importance of a

rigorous national evaluation, and nothing in this TIF proposal or the proposed Evaluation Plan will be

allowed to interfere with the efforts of the national evaluation team to implement a common design

methodology, administer common data collection instruments or calculate common performance measures

as are required of all grantees funded under this competition. The evaluation plan explicitly incorporates

measures of the change over time in the percentage of principals in high need schools who have a record

of effectiveness (Objective 3.1) and the change in budget allocations for performance-related payments to

principals whose work leads to high achievement gains.

Not only will evaluation data be shared with the national evaluation as requested, but findings from

RAND's evaluation will be disseminated through reports available free of charge via RAND's website,

through scholarly publications and through presentations at national conferences.

<u>COMPETITIVE PREFERENCE PRIORITY #1</u>:

Pittsburgh's Board of Education demonstrated its commitment to a performance-based compensation

system for principals when it mandated in July 2006 that the Superintendent move "every principal to a

performance-based contract like those currently in place for principals of the eight ALAs" (see Appendix 4).

Within this same resolution, the Board charged the Superintendent to implement "professional development plans that will make these contracts meaningful and effective." Thus, the project outlined in this proposal reflects our Board's explicit instruction and support.

Support for the system was expanded when district leaders discussed this resolution with all 67 principals and subsequently with a small group of principals to obtain feedback on the details of this proposal. The PAA's letter of support (Appendix 2), written after a vote by principals, demonstrates both support for this project and commitment to assisting in its implementation. The PAA will work closely with district staff and project partners in upcoming months to develop the evaluation tool and, via membership on the Steering Committee, provide input on its refinement as well as input on the updating of the SPI.

Enthusiastic support was forthcoming when we sought endorsement from members of the Pittsburgh community. Appendix 2 includes letters from the city's Mayor, with whom our Superintendent launched *The Pittsburgh Promise* (see p. 3); the President of the Urban League of Greater Pittsburgh, who also chairs the Board of A+ Schools: Pittsburgh's Community Alliance for Public Education (http://www.aplusschools.org/); and the President of the Pittsburgh Foundation, the nominal head and convener of the *Fund for Excellence* for PPS. Over the course of the project, we plan to extend and enhance this support as follows:

- Among teachers and principals, through regular reporting-out by representatives on the Steering Committee to their constituents; regular attendance by key personnel from the project to gather input and answer questions at monthly principals' meetings; and momentum built via the Communications Plan developed by the Steering Committee and PPS Department of Public Relations and Marketing.

- In the Pittsburgh community, through inviting members of the public, including representatives of the foundation community, to our proposed annual TIF grantee networking conference on pay for performance; and momentum built in the larger Pittsburgh community via the Communications Plan developed by the Steering Committee and PPS Department of Public Relations and Marketing.

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<u>COMPETITIVE PREFERENCE PRIORITY #2</u>:

All but one of the district's schools meet the definition of "high need"; each eligible school has more than 30% of its enrollment coming from low-income families (see Appendix 3). Thus, our project, by providing incentives to increase principal effectiveness in 64 high-need schools, meets the competitive preference of recruiting or retaining effective principals in high-need schools. **However, we have taken our intent to ensure that our high-need schools benefit from the leadership effective principals one step further** by **setting specific objectives** that hold us accountable for ensuring a high level of effectiveness of the principals in our highest-need schools. Through our project plan, which provides intensive, ongoing professional development for principals, we will put the principals assigned to the highest-poverty schools in a position to earn the full annual increment for enacting best practices at a rate that is equal to or surpasses that of their colleagues assigned to the district's schools with the lowest poverty. We also have set as one of our objectives closing the district's socio-economic achievement gap by fulfilling the *Excellence for All* target of having proficiency rates in the district's highest-need schools outpace district-wide gains in student academic achievement.