

# COMMISSION ON MARYLAND'S FISCAL STRUCTURE



## Three Perspectives, One Path

Bridge to Excellence  
in Public Schools  
No Child Left Behind  
Achievement Matters Most



Maryland State Department of  
**EDUCATION**

# Three Perspectives, One Path

## Presentation Overview

- Bridge to Excellence in Public Schools Act
- No Child Left Behind Act
- Achievement Matters Most
  - Questions & Answers



# Bridge to Excellence in Public Schools Act

## Senate Bill 856



# Bridge to Excellence in Public Schools Act

## Deficiencies with Existing Finance Structure

- Unnecessarily complex.
- Limited flexibility.
- Stagnant funding with limited sustainability.
- Not appropriately related to the needs of students.
- Inequitable distribution of certain categorical programs.
- Administratively burdensome.



# Bridge to Excellence in Public Schools Act

## Equity

"An equitable school finance system is one in which the combination of state and local revenues available to school districts is measurably related to the needs of those districts while simultaneously not being related to their wealth and having a relationship to their tax effort."

*Augenblick & Meyers*



# Bridge to Excellence in Public Schools Act

## Adequacy

- The Commission hired Augenblick and Myers to conduct an “adequacy” analysis of Maryland’s public school finance system using two approaches:
  - 1) Professional Judgment Approach uses multiple panels of educators to determine the kinds of resources needed to achieve a particular set of objectives in prototypical schools. These resources are then “priced out” based on salary levels and other factors to determine the per pupil base cost and weighted adjustments for at-risk students.
  - 2) The Successful Schools Approach examines the “basic” spending of those schools that meet performance objectives established by the State, where basic spending excludes transportation, special education, compensatory education or other spending targeted to special student populations.



# Bridge to Excellence in Public Schools Act

## Basic Structure

- A foundation program provides State and local aid to school systems based on general enrollment and "base cost" per student.
  - When fully phased in, LEAs will receive a minimum per-pupil State foundation grant of 15%.
  - The program phases in State aid for full-day kindergarten by FY 2008.
- Three categorical programs are established for the following students:
  - Students with special needs
  - Students with limited English proficiency
  - Students from circumstances of economic disadvantage



# Bridge to Excellence in Public Schools Act

## Basic Structure

- A Guaranteed Tax Base Program encourages low-wealth jurisdictions to maintain and increase local education tax effort.
  - Available to jurisdictions with wealth per pupil below 80% of Statewide wealth per pupil
- In FY 2004, State aid for pupil transportation increases for 15 jurisdictions whose enrollment increased from FY 1981-1996.
  - State grants for students who require special transportation services increase from \$500 per rider to \$1,000 per rider by FY 2008.



# Bridge to Excellence in Public Schools Act

## Basic Structure

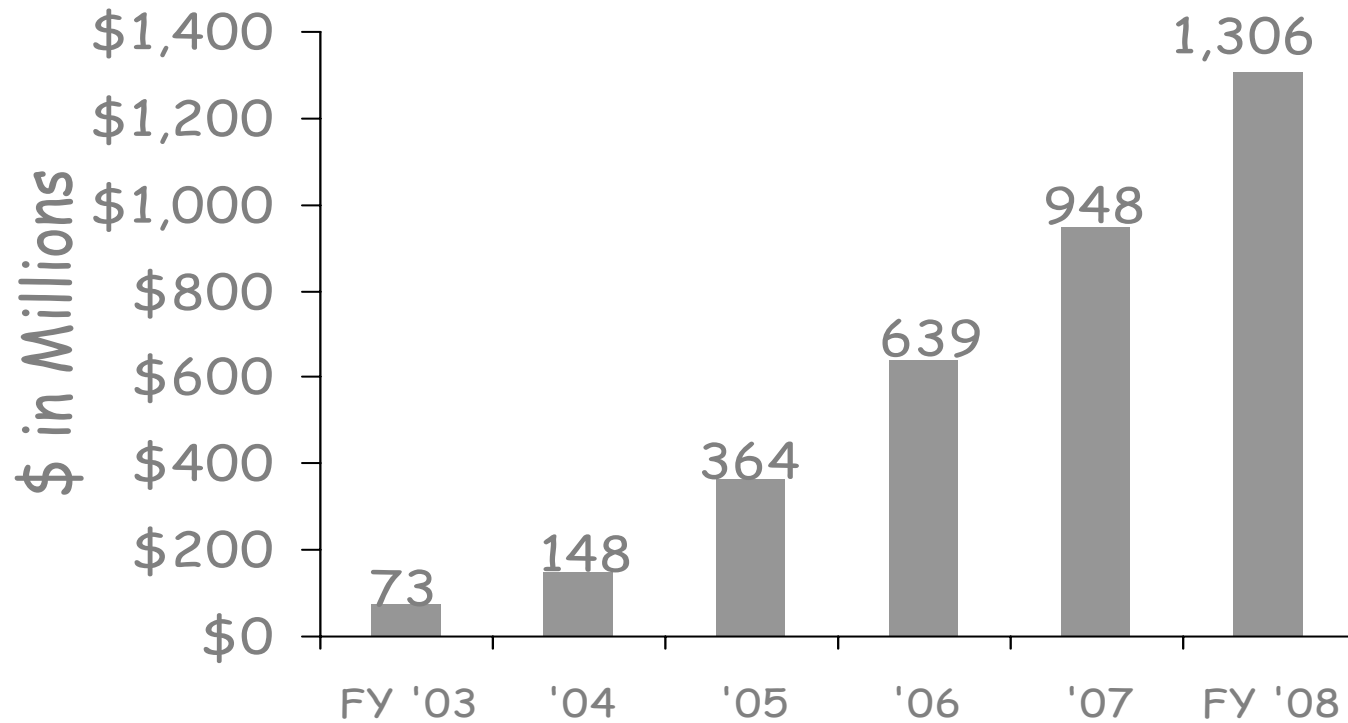
Due to these adjustments, State aid to LEAs will increase by about \$2.2 billion over the next 6 years. About \$1.3 billion more than required under the previous formula.

However, the General Assembly must affirm its ability to fund the new finance system in FY 2005-2008 by adopting a joint resolution annually. *If this resolution is not adopted by the 50<sup>th</sup> day of the session, State aid for each jurisdiction will increase by about 5% annually.*



# Bridge to Excellence in Public Schools Act

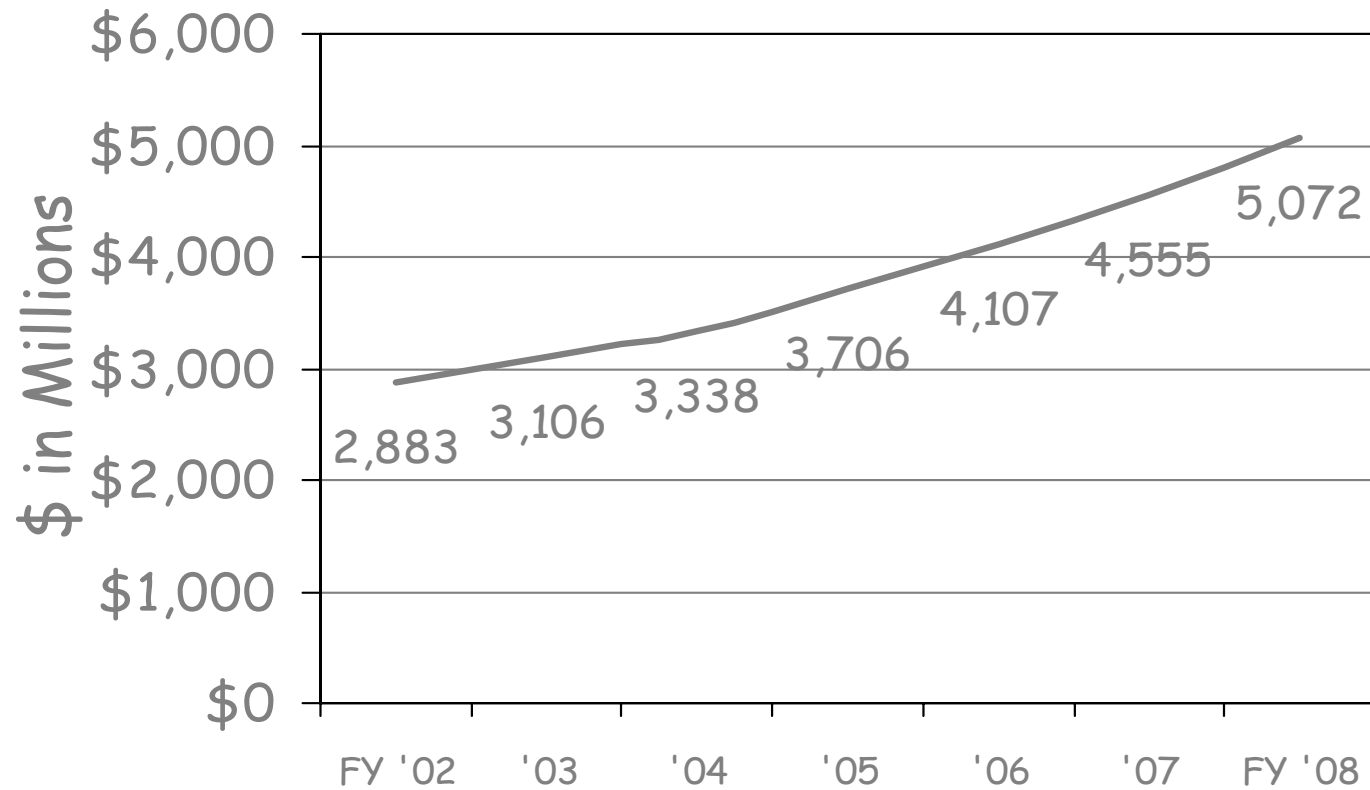
## Estimated Increases Over Current Law





# Bridge to Excellence in Public Schools Act

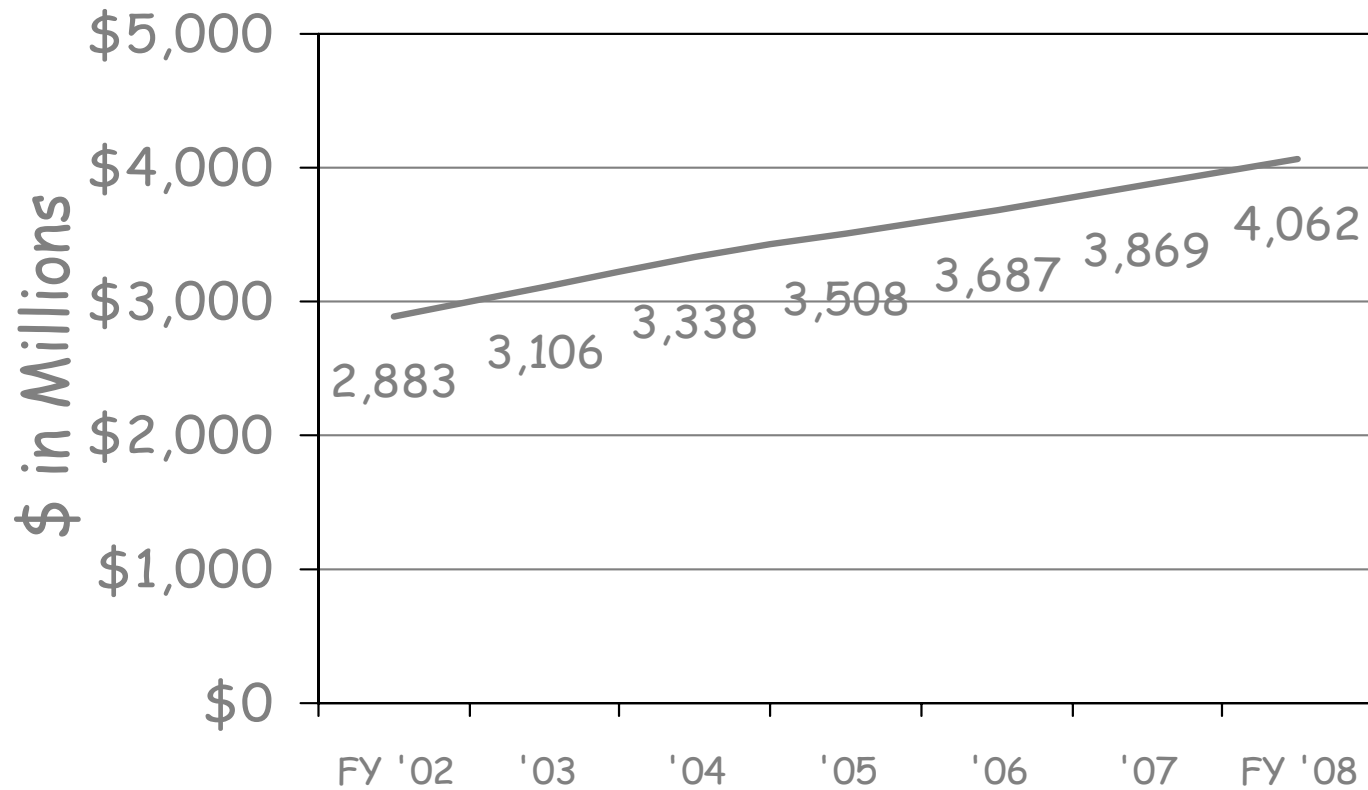
## Estimated State Education Aid





# Bridge to Excellence in Public Schools Act

## Estimated State Education Aid No Joint Resolution

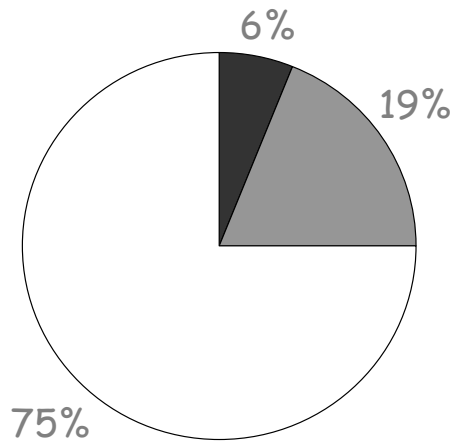




# Bridge to Excellence in Public Schools Act

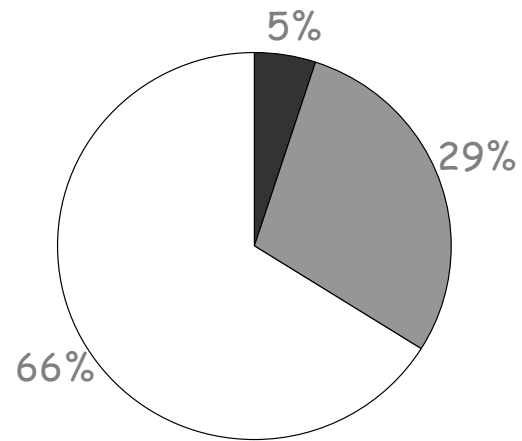
## Education Funding Characteristics State Aid Targeting

Fiscal 2002



(State Aid = 2.9 billion)

Fiscal 2008 with SB 856



(Est. State Aid = 5.1 billion)

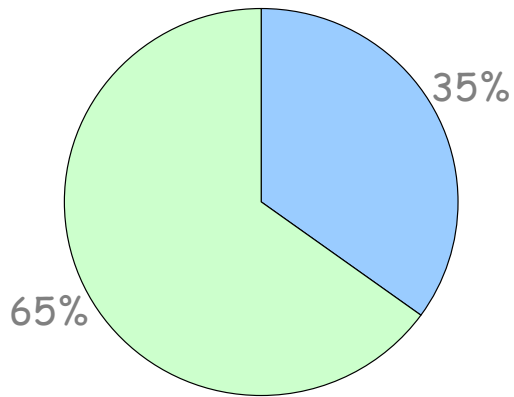




# Bridge to Excellence in Public Schools Act

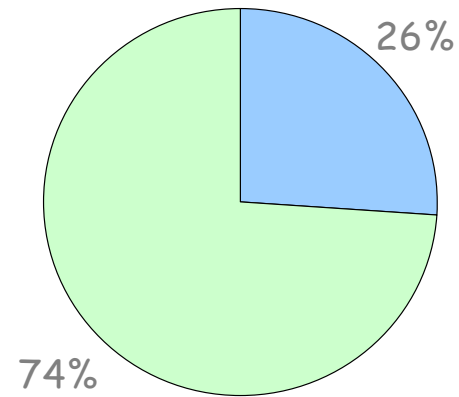
## Education Funding Characteristics State Aid Wealth Equalization

Fiscal 2002



(State Aid = 2.9 billion)

Fiscal 2008 with SB 856



(Est. State Aid = 5.1 billion)

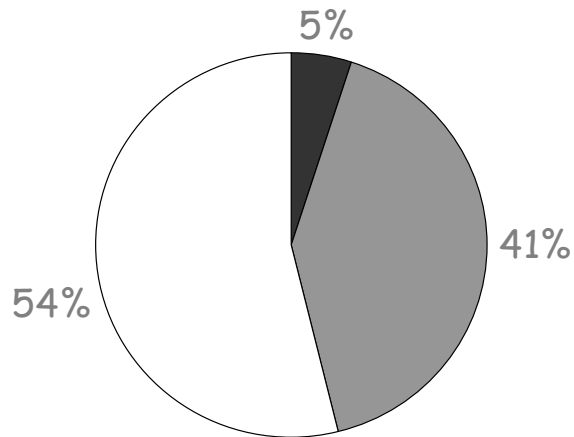




# Bridge to Excellence in Public Schools Act

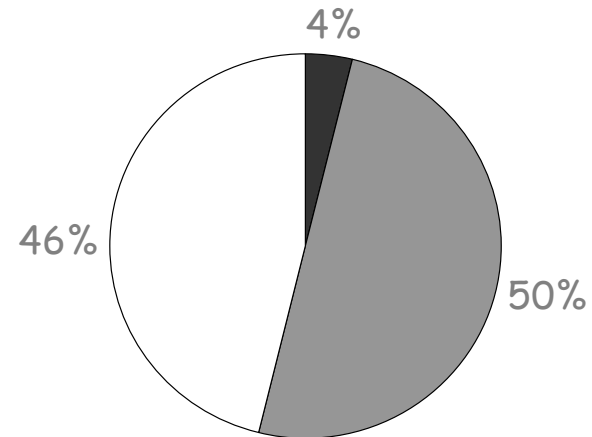
## Education Funding Characteristics Federal-State-Local Shares

Fiscal 2002



(Total Education Aid = 7.1 billion)

Fiscal 2008 with SB 856



(Est. Total Education Aid = 10.2 billion)





# Bridge to Excellence in Public Schools Act

## Programmatic Recommendations

- Local school systems must implement full-day kindergarten programs by FY 2008.
- Local school systems must make pre-kindergarten programs available for all at-risk students by FY 2008.
- MSDE must contract with a private entity to conduct a study to develop a Maryland-specific geographic cost of education index to be implemented by FY 2005. An RFP has been released. Responsive bids are being evaluated. A vendor should be selected within days.



# Bridge to Excellence in Public Schools Act

## Programmatic Recommendations

- The bill establishes a 21-member Task Force to Study Public School Facilities to review the public school construction program.
- MSDE must conduct a study of the enrollment collection dates used to calculate funding under the Current Expense formula and the 3 State categorical programs. A task force has been convened and will issue an interim report by the end of this year and a fiscal report on or before December 20, 2003.



# Bridge to Excellence in Public Schools Act

## Programmatic Recommendations

- Local school systems are provided maximum flexibility in spending resources.
- However, each LEA must develop a 5-year comprehensive master plan providing for improvements in student achievement for every segment of the student population.
- MSDE is working with internal and external stakeholders to develop guidelines for the Master Plan documents.
- Most Master Plans must be submitted to MSDE by October 1, 2003.



# Bridge to Excellence in Public Schools Act

## Programmatic Recommendations

- MSDE must evaluate the effect of increased State aid for education on student and school performance in each LEA. The study must include:
  - A detailed description of how LEAs are using State education aid and provide comparisons between LEAs to identify best practices and analyze local appropriations for education.
- No later than June 30, 2012, MSDE, in consultation with the Department of Budget and Management and the Department of Legislative Services, must contract with a private entity to conduct a new adequacy analysis.



# No Child Left Behind Act (Elementary and Secondary Education Act—ESEA)



# No Child Left Behind Act

## Goal 1

- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in reading/language arts and mathematics.
- Performance Indicators:
  - 1.1 The % of students (total and subgroup) at or above proficiency in reading/language arts on state assessments
  - 1.2 The % of students (total and subgroup) at or above proficiency in math on State assessments
  - 1.3 The % of Title I schools making adequate yearly progress



# No Child Left Behind Act

## Goal 2

- All LEP students will become proficient in English and reach high academic standards, at a minimum attaining proficiency or better in reading/language arts and mathematics.
- Performance Indicators:
  - 2.1 The % of LEP students attaining English proficiency by the end of the school year
  - 2.2 The % of LEP students at or above proficiency in reading/language arts on State's assessment, as reported for indicator 1.1
  - 2.3 The % of LEP students at or above proficiency in math on State's assessment, as reported for indicator 1.2



# No Child Left Behind Act

## Goal 3

- By 2005-2006, all students will be taught by highly qualified teachers.
- Performance Indicators:
  - 3.1 The % of classes taught by "highly qualified" teachers in the aggregate and in high-poverty schools
  - 3.2 The % of teachers receiving high-quality professional development
  - 3.3 The % of paraprofessionals who are qualified



# No Child Left Behind Act

## Goal 4

- All students will be educated in learning environments that are safe, drug-free, and conducive to learning.
- Performance Indicators:
  - 4.1 The number of persistently dangerous schools, as defined by the State



# No Child Left Behind Act

## Goal 5

- All students will graduate from high school.
- Performance Indicators:
  - 5.1 The % of students who graduate from high school each year with a regular diploma, disaggregated by race, ethnicity, gender, disability, migrant status, LEP, and economic status
  - 5.2 The % of students who drop out of school, disaggregated by race, ethnicity, gender, disability, migrant status, LEP, and economic status



# Achievement Matters Most Maryland's New Plan for PreK-12 Education



# Achievement Matters Most

## What is Achievement Matters Most?

- Maryland's new plan for PreK-12 public education
- The plan will incorporate:
  - Visionary Panel for Better Schools recommendations
  - No Child Left Behind and Bridge to Excellence provisions
  - MSDE-identified priorities



# Achievement Matters Most

- Goal 1: Achievement will improve for each student.
- Goal 2: Instruction, curriculum, and assessment will be aligned and understandable.
- Goal 3: All educators will have the skills to improve student achievement.
- Goal 4: All schools will be safe, drug-free, and conducive to learning.
- Goal 5: Families and communities will be involved in education.



# Achievement Matters Most

- Current draft of *Achievement Matters Most* encompasses Visionary Panel recommendations
- Next steps:
  - Incorporate No Child Left Behind, Bridge to Excellence Act, recent task group recommendations, and other priorities
  - Identify performance measures
  - Solicit stakeholder feedback
  - Develop implementation plan



# Questions & Answers