



Maryland Education Coalition

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Priority Recommendations for the Commission on Innovation and Excellence in Education

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Maryland stands on a threshold of a new era in the education of Maryland students as policymakers weigh their options for a new education funding formula. Their decisions will determine whether schools will be designed and funded to truly meet the needs of all children or continue to fail those who need the most support. In the years since the passage of the [Bridge to Excellence Act of 2002 \(BTE\)](#), Maryland schools have produced positive changes, including increases in graduation rates and test scores. Changes made to the BTE formula during the recession, however, slowed that progress; schools now receive far less funding than originally intended and less than is needed for students to meet the state's college and career-ready standards. As of FY 2015, Maryland's "adequacy gap" under the current formula was \$1.6 B.¹ The [Study of Adequacy of Funding for Education in Maryland conducted](#) by Augenblick, Palaich, & Associates (APA) recommends an additional \$2.9 B. to achieve adequacy. In light of APA's recommendations and "Building Block #2" of the National Center of Education and the Economy's (NCEE) "9 Building Blocks of a World Class Education," the Maryland Education Coalition (MEC) recommends the Commission address the following issues in crafting Maryland's funding formula:

SUFFICIENT FUNDING FOR EVERY CHILD- INCREASE BASE AND WEIGHTS: MEC agrees with the APA consultants that the base per pupil foundation amount needs to increase to prepare students for higher standards, including international standards the Commission is examining. The weights for special populations must remain high enough to address the additional resources and services needed to educate these students and reflect real costs in Maryland schools.

- The weights for special education, limited English proficiency (LEP), compensatory aid for low-income, and full day prekindergarten must be sufficient to provide those students the opportunity to meet state standards and reach their full potential.

MEC does not agree with lowering the weights as they exist in the current formula; while the weight for Special Education did increase in the APA recommendation, it must be raised further in order to address what school systems are actually spending to educate students. APA did not fully consider the additional services and staffing needed to serve children in these special needs categories. A higher base alone is insufficient.

QUALITY PRE-K FOR LOW-INCOME 3 AND 4-YEAR OLDS: MEC agrees with APA that weighted funding in the formula should be provided for full-day prekindergarten for four-year-olds and agrees with other Commission presenters on the importance of early education before age four.

- We urge that the Commission prioritize full-day programs for children from low-income families. Universal pre-k can be phased in with the sliding scale discussed by the Commission but long-standing achievement gaps will not be reduced unless funding is targeted first to programs and communities with the highest need.
- MEC strongly supports full-day programs for three-year-olds from low-income households as well. MEC observes that APA's methodology used to conclude a lesser "return on investment" for three's does not fully account for the benefits of a second year of pre-k for less advantaged children, echoed in testimony to the Commission.²

CONCENTRATED POVERTY: Where there is concentrated poverty in a school, the educational experiences and outcomes of all students, not just those from low-income families, are negatively impacted.

- Schools with high poverty face escalated challenges that could be addressed by de-concentrating poverty among schools. Failing that, place-based solutions to address the real and damaging effects of concentrated poverty can be at least partly addressed by strong principal leadership and qualified teachers, additional staffing for a Community Schools' Coordinator and strategy, extended day and year, health and mental health, wraparound services, enrichment in art, music, drama, and sports, and other essential resources, and modern school buildings.
- MEC urges that the Commission's recommendations ensure that these services and staff are provided in the formula and that school districts be required to provide the designated programs and staffing.

¹ [Adequacy of Education Funding in Maryland](#), Department of Legislative Services, December 8, 2016 Commission meeting

² Dr. Sharon Lynn Kagan, Teachers College, Columbia University, June 1, 2017 Commission meeting

- MEC recommends the formula have a separate weight for concentrated poverty or an escalator above the .97 Compensatory Aid weight for schools/districts with higher poverty with a targeted allocation for the Community School strategy costs.

EQUITY BASED LOCAL AND STATE WEALTH CALCULATIONS: The Commission must keep wealth equity as a fundamental goal of the state education formula. Two aspects of the current formula, (1) local wealth calculations and (2) local share for the special population weights, must be adjusted to strengthen equity, provide greater accuracy, and ensure that limited resources are directed where they could not otherwise be provided.

- Under the current formula, Income is a key factor when considering a locality’s ability to raise property tax revenues but it is not appropriately weighted under the current formula, according to the APA study. The multiplicative approach, which would require the formula to multiply the components instead of adding them, is preferable because it places a greater weight on the income available and the substantial differences that impact a locality’s ability to fund schools.
- The adequacy of the current formula is premised on local governments paying their allotted share of the weighted parts of the formula (special education, ELL, poverty). MEC agrees with the APA consultants that this should be required; otherwise, children are deprived of funding that has been determined to be needed.

MEASURING POVERTY: SELECTING APPROPRIATE POVERTY PROXY: The Commission must adopt an accurate method for counting low-income students for purposes of distributing state Compensatory Education aid that does not create additional burdens on schools and families nor compromise access to meals. Under the current funding formula, low-income students are counted through the collection of Free and Reduced-price Meals (FARMs) forms. That system is no longer sufficient since the adoption of the Community Eligibility Provisions (CEP) of the federal Healthy, Hunger-Free Kids Act which allows districts to provide meals to all students if a percentage of students fall below federal poverty guidelines; it also prohibits the use of FARMs forms, acknowledging that these forms are inefficient and create additional burdens for schools and families.

- Forcing CEP schools and districts to use alternative forms is inefficient and risks undercounting students.
- MEC believes that “direct certification” with a 1.6 multiplier³ is a more efficient proxy. It directly counts students whose families are using income-based services (without the need for an additional form), but since not all eligible families use these services, a multiplier must be added to avoid undercounting.

ADJUSTMENTS FOR GEOGRAPHIC VARIATIONS IN COSTS: The current formula includes a Geographic Cost of Education Index (GCEI) in the base formula, which adjusts for the jurisdictional differences in costs it takes to attract and retain staff. The index was created based on variables that teachers might consider in choosing to work in a district including a measure of violent crime, percent of students on free and reduced lunch, district wealth, and property values.

- The Commission should reject the APA’s proposed use of the Comparable Wage Index (CWI) because it only accounts for the wages of similar *non-teaching* professions in a jurisdiction and therefore, provides a limited view of what impacts teacher choices and educational costs in a jurisdiction.
- CWI would also be costlier for the state and offsets other proposed equity improvements.

OTHER EDUCATIONAL COSTS: MEC urges the Commission to factor in support of Gifted & Talented Education recommended by the APA⁴ and supported by the State Board, as well as professional development, technology, instructional materials, supplies and other student needs within the recommendations for all students.

EQUITABLE FACILITIES SUPPORT: The Commission should also account for the different costs of operating and maintaining school facilities in school systems’ operating budgets, including debt service. These costs vary across districts given the disparity in age and condition of school buildings. The Commission should propose a factor that considers the high cost of maintaining and operating old school facilities with aging mechanical systems and structures.

*Advocates for Children and Youth * ACLU of MD * Arts Education in Maryland Schools * CASA * Decoding Dyslexia Maryland * Disability Rights Maryland * League of Women Voters of MD * Maryland Coalition for Community Schools * Maryland Out of School Time Network * Maryland PTA * Maryland NAACP * Parents Advocacy Consortium * Public Justice Center * School Social Workers of MD * Sharon Rubinstein

³ The USDA uses a 1.6 multiplier to estimate the percentage of students eligible for FARMs in CEP schools using direct certification.

⁴ [Final Report of the Study of Adequacy of Funding for Education in Maryland](#), pages 13,15 & 148