

Montgomery County Taxpayers League

Advocate for accountable, cost-effective county government
(a non-partisan, 501.c.3 organization since 1975)



EDUCATION REPORT

Achieving Education Objectives Cost-Effectively

October, 2019

We can have a great education system that serves the individual needs of all of our families cost-effectively and accountably. We just need the will and integrity to create it. This report contains viable, implementable steps (Recommendations) for creating such a system. This report doesn't have all the answers and all our efforts will be an evolving process. We hope and believe this is an important resource for these efforts.

EXECUTIVE SUMMARY

This report is divided in three Sections:

- I. *Brief Summary* of recent important initiatives by MCPS including: the Equity Accountability Model (EAM); the study conducted by Education Resource Strategies (ERS); and the strategy to expand access to Accelerated and Enriched instruction;
- II. *Key Findings* from the EAM data and the ERS Study; and
- III. *MC Taxpayers League Recommendations* for achieving our education objectives cost-effectively.

This **Executive Summary** describes the challenges facing MCPS and provides a synopsis of the Montgomery County Taxpayers League's (MCTL) **Recommendations** for meeting these challenges.

Challenges Facing MCPS

Montgomery County Public School's (MCPS) per pupil spending is higher than the national average and more than all but three Maryland counties, and it has recently requested additional spending over and above Maintenance of Effort. Yet, the school system finds itself at an inflection point and undergoing an overdue period of self-assessment, with Superintendent Smith moving forward on a number of initiatives and data collection activities.

Once perceived as among the best school systems in the country, the county's schools have suffered falling rankings in the 2009-2019 period, including some especially significant drops in national high school rankings. In the very critical area of closing the Achievement Gap, there is now widespread recognition of the continued lack of progress and increased segregation of schools. The 2019 study by Education Resource Strategies (see below) indicates that resource allocation/equity is a serious problem. Schools with the highest percentage of minority and FARMS students are less likely to have experienced principals and teachers, and minority and FARMS students are not assigned to honors and AP classes at the same rate, even after taking into account student grades.

In other areas, there is a recognized severe shortage of adequate access/seats for accelerated learning programs (magnet and other specialized) even as there has been noted expansion of such programs. At the same time there has been a noted perception of declining rigor in many of these programs. School capacity has failed to keep up with increased student enrollment, resulting in such a degree of school overcrowding that there was a recommendation for a moratorium on development in 12.5% of the county; all which has been exacerbated by spiraling school construction costs, partly resulting from placing much of the burden of meeting of stormwater-related consent decrees on the backs of schools. The roll-out of pre-K programs is expected to be greatly slowed due to lack of funding and space. In the face of all of this, there is a paucity of non-traditional schools and educational alternatives to help address these issues, fill gaps, build needed capacity, and otherwise leverage the efforts of MCPS, all due to political resistance. This despite alternatives being so successful in jurisdictions around the country. As one school board member declared at the September BOE hearing, “. . . we really have to start thinking outside the box and make some bold moves.”

We applaud Superintendent Smith and MCPS for recent significant and worthwhile initiatives taken, and for their efforts to draw attention to the persistent lack progress in closing the Achievement Gap, and to take greater responsibility for this lack of progress and begin to take real action.

RECOMMENDATIONS For Meeting These Challenges

The Taxpayers League believes that MCPS’s focus should be:

1. Closing the achievement gap, preferably before the state’s 2030 deadline;
2. Increasing the number of accelerated and high-achieving programs, and introducing classroom strategies that raise the number and diversity of students that can qualify – without reducing rigor;
3. Reducing costs and increasing efficiencies by establishing protocols to ensure strategies are cost effective and prioritized according to return on investment, and are discontinued when they prove ineffective.

We support the Black and Brown coalitions recommendations for fixing system-wide policies that result in too many inexperienced teachers and principals in higher FARMS schools. Incentives to ***better allocate effective teachers and principals*** will require careful analysis of what it will take to attract, retain, and allocate effective professionals, including differential compensation and non-financial incentives. We also recommend promoting local autonomy for strategy setting by having school principals design, and be held accountable for, ***school-level strategies***, and refinement of these strategies through controlled review as a way to match results with costs. Localized school improvement plans can allow for differentiated school strategies, based on student populations, the needs of individual students, available teachers, and specific school improvement targets in proficiencies. ***Innovation and strategy design validation*** can be achieved through independent reviews by the Central Office to verify school-level strategies work and are cost effective. Principals would be held accountable for results in their proposals and costs, and this would be verified as a basis for the next budget cycle. We further recommend that ***public charter schools and other educational alternatives*** be incorporated into strategic plans to achieve many of these and other goals, including closing the achievement gap, expanding A&E programs and helping solve school capacity problems constrained by secular declines in the County’s capital budget.

The following is a brief listing of MCTL’s recommendations (they are elaborated on in the body of this report). They are in the areas of *Process & Management; Resource Allocation; Accelerated & Enrichment Programs; Education Alternatives; Funding Growth and Reform; and Other Issues.*

PROCESS & MANAGEMENT

- Rec** **MANAGEMENT PROCESSES.** Establish management processes and protocols for: 1) evaluating current programs, and 2) initiating and prioritizing new programs and strategies. Include ***objective, quantitative performance measures***, standardized across strategic initiatives, and generally accepted methodologies for ***quantifying cost-effectiveness and conducting cost-benefit analyses***.
- Rec** **REGULAR REVIEW AND AUDIT.** Establish a process for ***regular (at least annual) internal reviews and periodic independent audits*** by external parties of programs and initiatives. Establish a process to speedily ***discontinue or reform programs*** not meeting performance objectives.
- Rec** **LOCAL AUTONOMY.** Increase innovation and initiative by increasing local autonomy for principals and teachers. Transition toward a process where individual schools, via **School Improvement Plans (SIPs)** and **Strategy Proposals**, play a greater role in strategy development. Develop guidelines, offer training, and provide incentives to support this effort. Require principals to submit reports on progress. Focus efforts on schools with the greatest needs. Apply this so principals and teachers can work together on smaller-scale decisions, such as school or classroom policies addressing short-term challenges that arise. Allow for **differentiated school strategies**, based on student populations, the needs of identified individual students, and available resources.

RESOURCE ALLOCATION

- Rec** **BUDGETS.** Reduce reliance on centralized “formula budgets” in allocating resources to schools in order to better match the specific needs of schools and their student populations to resource allocations.
- Rec** **EFFECTIVE PRINCIPALS AND TEACHERS.** Increase the number of ***experienced and highly qualified*** principals and teachers placed in schools with the greatest needs, especially with high numbers of at-risk students. Provide ***training*** to principals and teachers specific to the unique needs of the schools and classrooms they serve, and place principals and teachers who have been trained for these schools and classrooms. Pursue ***incentives*** to promote movement of highly qualified principals and teachers to schools in need, including ***differentiated pay and non-financial incentives***.
- Rec** **A&E PROGRAMS.** Develop strategies for assigning a higher percentage of FARMs, minority, and other students not “plugged in” to A&E programs. Develop strategies for increasing the number of students, especially the less advantaged, that “give accelerated programs a try” and provide supports for them.
- Rec** **Re-negotiate labor contracts** to better enable MCPS to allocate staff to where they are most needed, and to properly reward and incentivize these staff.

ACCELERATED & ENRICHED PROGRAMS

- Rec** Conduct a study of Accelerated and Enrichment Programs to determine whether ***rigor*** is being maintained.
- Rec** Expand ***A&E remedial interventions*** outside of regular classroom hours to help struggling students that are trying to raise themselves.
- Rec** Develop a comprehensive strategy to aggressively ***increase the number of A&E programs and number of seats*** in A&E programs so that more students are admitted into these programs. Only by increasing the number of programs and seats significantly can we meet demand and provide access to ALL qualified students, while at the same time supporting students who are “trying to reach the next bar.” ***Investigate education alternatives*** (see Recommendations below) to help meet these goals.

INCORPORATING EDUCATION ALTERNATIVES TO HELP MEET CHALLENGES

Rec Develop a comprehensive strategy for incorporating more alternative schools and educational programs, such as Pathways To Early College High Schools (P-TECH schools), public charter schools, and non-profit and parochial providers of education services. MCPS should target the most successful, **proven programs** from around the country. In pursuing educational alternatives, the following potential **benefits** should be factored: 1) *Building Capacity Quickly and Cost-Effectively*; 2) *Leveraging MCPS Efforts to Close the Achievement Gap*; 3) *Providing Specialized Schools and Educational Programs*; 4) *Addressing School Overcrowding*; 5) *Cost Savings*; and 6) *Promoting Innovation and Testing Reform Strategies*.

INSPECTOR GENERAL

Rec **INSPECTOR GENERAL.** Create an **Office of the Inspector General** and hire an IG for MCPS

OTHER OPERATIONAL ISSUES

Rec **COUNTERPRODUCTIVE POLICIES.** Conduct an evaluation of current **grading, assessment, and discipline** policies in order to eliminate policies that clearly run counter to, and introducing policies that support, higher student performance.

Rec **TRAINING.** Research effective principal and teacher **training programs** from around the country.

FUNDING GROWTH AND PROGRAMS INITIATIVES

Rec Adopt stringent processes and evaluative protocols (methodologies) for conducting **cost-benefit/ROI analysis of capital projects and programs**, and for on-going evaluation, prioritization and elimination, as necessary, of programs and initiatives.

Rec Reform the **Budget Process** to promote accountability, cost control, and participation of additional stakeholders. Participation should include, first and foremost, members of the Board of Education; but also civics and taxpayer groups that have a stake in ensuring the school system offers high quality service at a good value, as well as experts in key areas of expertise such as construction, IT, and finance.

Rec Take steps to reduce **school construction costs** as much as 25% on a per pupil and per square foot basis. Conduct a comprehensive study on ways to reduce school construction costs, including design practices, school prototypes used and the potential for new or different prototypes, construction standards, site selection criteria, school uses, school size, and the possible impacts of pre-K initiatives. Investigate the possibility of building smaller schools with fewer amenities, such as sports fields, for the many specialized academic programs being considered by MCPS.

Rec Conduct a comprehensive cost-benefit analysis of placing so much of the burden of meeting stormwater mandates on the school system.

I. RECENT INITIATIVES BY MCPS

In the past three years under Superintendent Smith, MCPS has undertaken several large-scale initiatives. These ambitious initiatives have great potential, and in a school system as large and diverse as MCPS, the key will be in the execution. Two of these initiatives emphasize greatly enhanced data collection and analysis of performance at the school level disaggregated by student population, with the objectives of enhancing accountability, providing for more optimal and equitable resource allocation, and developing strategic plans to improve system-wide performance. The following summarizes these efforts.

- 1) Development of the ***Equity Accountability Model (EAM)***, which is based on greatly enhanced performance data at the individual school level, and further disaggregates this data by student population (White, Asian, Black, Hispanic), followed by even further disaggregation within each group by FARMs and non-FARMs (Free and Reduced Meals) students to gain insight on the relationships between students' economic circumstances and MCPS's performance in teaching its students. Eventually, the goal is to identify individual schools, classrooms, and students that require help/intervention.
- 2) Commissioning of a study by Education Resource Strategies (***ERS Study***) of Watertown, MA to help assess whether MCPS allocates resources equitably for different student groups at the school-level by analyzing budget, staffing levels and qualifications, and student performance data.

The focus on these two initiatives is “equity” and closing the Achievement Gap among minorities and economically disadvantaged students. MCPS states its objectives in its ***Equity and Achievement Framework*** which consists of, the following: 1) *Evidence of Learning* measures (to track student progress on a continuous basis); 2) *Equity Accountability Model* (to gain Achievement Gap insights); and 3) *Equitable Access to Resources*.

Career and College Readiness (CCR)

A third large-scale initiative of Superintendent Smith is a long-term strategy to expand access to Accelerated and Enriched instruction and “ensure access to high demand programs that prepare students for college and careers.” It is an ambitious and worthwhile plan intended to introduce more proven programs, increase seats, and bring programs closer to student's homes. The key elements, in addition to overall expansion of A&E programs, are:

- An effort to strike the right balance between promoting CCR, magnet, and GT programs at the local schools and expanding unique programs at additional centralized locations;
- An effort to strike the right balance between “career” readiness and “college” readiness; and
- An effort to have a better and more equitable geographical spread of these programs.

The effort involves a phased roll-out. Phase One (for year 2020-21) calls for two new regional CCR, high-demand programs at Seneca Valley HS and the Wheaton/Thomas Edison “partnership,” and three new regional International Baccalaureate (IB) programs at John F Kennedy, Springbrook, and Watkins Mill high schools, bringing the total of IB schools to eleven. Other CCR programs offer studies in high-demand industry fields such as: healthcare, hospitality, IT and cyber security, construction management and architecture, and engineering at regionalized locations. Less publicized are the important planned efforts to bring GT programs to the local elementary and middle schools (for which the rollout timing is less concrete), in order to reduce reliance on regional GT programs, such as at Roberto Clemente MS.

Commentary. The MC Taxpayers League supports the above and proposes Recommendations (in Section III) to maximize the potential and ensure cost-effectiveness of all efforts to improve delivery of education services to county residents.

II. KEY FINDINGS OF THE EAM AND ERS REPORT

Equity Accountability Data. In September, MCPS presented EAM data for 2018-19, with (incomplete) comparisons with 2017-18. It is difficult to draw strong conclusions from the data, particularly because of scoring and testing changes made (as discussed below). However, the data showed strong improvement for the overall student population at the 2nd grade level for Literacy (4.2%) and Math (13.2%), which were even greater among Black and Hispanic students. For example, 2nd grade Math scores improved 18.9% for Black and 19.5% for Hispanic students, with similar improvements among FARMs students. This would seem to be a very positive outcome given that the amount of learning a child gains in the first three years of school has a strong bearing on the student's performance going forward. For higher grade levels, the results were decidedly mixed for the overall student population and for minorities and FARMs, especially in Literacy. For example, for all 5th grade students, Math showed a 5.8% improvement, while Literacy showed a drop of 2.5%, which was attributed in part by MCPS to a greater emphasis on "grade level texts." The 5th grade Literacy scores showed an even greater drop among minority and FARMs populations. Unfortunately, MCPS did not isolate the effect of increased emphasis on grade level texts in its data collection or analysis, which could have been possible, so we remain in the dark as to what extent this was a contributing factor in the results. Similarly, high school scores (11th grade) showed significant drops, but it is highly uncertain that useful trend comparisons could be made due to MCPS's decision to remove the criterion of maintaining a 2.0 average, on the justifiable rationale that students are able to attain this too easily.

ERS Study. In September, Education Resources Strategies (ERS) presented the results of its study. These findings relate to resource equity and MCPS's effectiveness in teaching minority and economically disadvantage populations. A number of the study's findings are especially worth mentioning; two being that MCPS is spending 45% more on the FARMs population as a percentage of total spending, and also proportionately more on instruction and teacher positions, than the national average, but is not getting results that are even as good, much less commensurate with the additional spending. In other words, we are not getting our money's worth. The former calls into serious question the effectiveness of FARMs-related programs, which would include ESL, intervention, and geographic placement of programs and strategies. On a more fundamental level, it calls into question the overall effectiveness with which low-income children are being taught; i.e., whether resources are allocated effectively, whether the right teachers are matched with the right students, whether the right principals are being matched with the right schools, and whether classroom strategies and supports for FARMs students are as good as they could be. ***In other words, there is no question that MCPS has lots of programs targeting FARMs students, but overall, they appear to be less effective than what other jurisdictions are doing.***

The two other ERS findings were that: 1) there is a significantly higher proportion of novice principals and teachers assigned in lower performing schools, including often those with high minority populations; and 2) there is less access to advanced courses and other accelerated learning among minority students, and that this is true even when scores of Black and Hispanic students are comparable to Whites and Asians. The ERS Study made another finding that may be related to these first two; that being MCPS is not benefitting from "peer effects," whereby less advantaged students are expected to, and often, experience improved performance simply by being placed into higher performing schools or classrooms. That this is not happening in MCPS is a surprising finding, as it is at significance variance with the rest of the country.

Another ERS finding of note is less related to equity issues, and instead calls into question whether MCPS is teaching its students effectively (or cost-effectiveness). As it turns out, MCPS **overall** spending on instruction and allocations to teacher positions is not achieving commensurate results either compared to the national average. This is evidence of effectiveness-related issues that are even more broad in scope, and strongly suggests the need to conduct audits/reviews of many instruction-related areas including curriculum, pedagogy strategies, classroom management and discipline, and instructional intervention.

Potential Significance of this New Data: What It Means for MCPS

The data produced at the initiative of MCPS's leadership is a huge step in the right direction. Even though some of school system's problems are already widely perceived, the new data confirms and quantifies the problems further in ways that can help in setting strategies and priorities. Just as importantly, it focuses MCPS, the Board of Education, and county officials, as well as the community groups, parents, teachers, civics groups, etc., on the problems and on possible solutions.

It should lead MCPS to think "Out of the Box" when considering reforms, including some that may be characterized as "politically infeasible." They may include among others: systemic changes in addressing resource allocation; searching for effective differentiated methods/strategies at the school and classroom levels; researching effective differentiated principal and teacher training programs that target specific student populations; consideration of differentiated instruction and programs; consideration of differentiated pay and other incentives to support strategies; re-writing contracts for labor and sub-contractors; and re-visiting how schools are built and rehabilitated; and finally, even systemic structural and cultural changes, including incorporating non-traditional education service providers, such as PTECH schools, public charters schools, and non-profit providers.

On a more fundamental level, it means that MCPS must become more effective and efficient in pursuing aims; subjecting all strategies, initiatives, and programs to stringent evaluation that is objective and quantitative, both when determining fitness and priorities for proposed initiatives and when evaluating outcomes of ongoing programs and strategies. This means tightening contracts and program initiatives, including tying them to performance. Those that don't meet the objectives cost-effectively need to be replaced by better programs and not be allowed to linger as the new "status quo."

Finally, pursuing big goals raises funding issues and places a premium on cost-effectiveness. We have traveled this far before only to fall short in the execution.

III. MCTL's RECOMMENDATIONS

In developing recommendations, MCTL took into account the new EAM data and ERS Study finding discussed above, other education-related research, and the experiences of other jurisdictions that are achieving success in various areas. We believe the road ahead should not be viewed as a series of trade-offs or competing goals (such as, high-achieving students vs. struggling or minority students vs. non-minority students). This would be playing a zero-sum game; one that results in some students not being fairly served and others completely opting out of the system into which they have paid taxes, making the school system even less diverse and less dynamic. ***Other areas of the country are moving forward successfully on multiple fronts, proving education reform does not have to be a zero-sum game.***

A. PROCESS & MANAGEMENT RECOMMENDATIONS

Rec 1 PROCESS & CONTROLS PROTOCOL. Establish processes and evaluative protocols for: 1) evaluating current programs, 2) initiating new programs and strategies; and 3) for prioritizing these strategies, initiatives, and programs. The processes introduced should have among its goals to: 1) provide continuous evaluation of initiatives against objective and widely agreed upon performance measures; 2) provide central management with tools to continue providing effective oversight and make strategic adjustments, as necessary; 3) encourage autonomy and initiative by principals, teachers, and central management; and 4) offer incentives and training for those involved in the process. These Process and Controls should also be used to evaluate national and statewide initiatives too often adopted without proper analysis, such as the constant parade of new curriculums that chew up so much staff and financial resources.

MCTL's specific recommendations in this area are:

- Create ***objective, quantitative evaluative (performance)*** measures (outcomes) to be used to evaluate proposed and ongoing programs and strategies. Establish a program for training everyone involved so all understand what are considered to be acceptable performance measures versus what are considered to be meaningless "fluff." Performance measures should be mostly focused on student performance and behavior measures/objectives, and they should indicate both the performance objectives (in quantifiable terms) and the number of students that achieve the objectives. Currently, what passes for those few performance measures that appear in the MCPS annual budgets each year are generally not tied to student performance, but to inadequate measures, such as the number of students or teachers that participate in a program (as opposed to measures of improved student/teacher performance over a period of time).
- ***Standardize performance measures*** across strategic initiatives to the extent possible, so we are able to compare "apples to apples" when prioritizing competing strategies. It is important that the methodology also measures the "opportunity costs" of diverted resources, such as staff time.
- Establish ***methodologies for developing realistic budgets*** for program initiatives and strategies. This methodology must include estimates of expected demands on staff time -- too often not considered when assessing new strategies. For example, perhaps the biggest cost to continually introducing new (untested) curriculums, such as Common Core, is the huge amount of time spent by principals, teachers and the central office staff in orientation, training and implementation. This is a significant opportunity cost. Taking this into account, Common Core is more than a failure, but a resource intensive diversion that set MCPS back several years.

- Use budget allocations and performance measures to **quantify cost-effectiveness** and **conduct cost-benefit analyses/comparisons**. Such cost-benefit/cost-effectiveness measures can be as simple as dividing the Performance Measure by the Cost of the program; for example: *Number of Student that Improve one Proficiency Level in a Year (divided by) Resources Spent in Dollars*. Cost-effectiveness criteria are often disparaged as being more interested in money than in “helping people,” but that ignores the fact that pursuing strategies that are not cost-effective means less money and resources for strategies that work.
- Use the above methodologies and protocols to **evaluate and prioritize new strategies and programs** being consider and to ensure they have a high probability of having positive, cost-effective outcomes.
- Establish a process for **regular (at least annual) internal performance reviews of all programs and initiatives**, based on the methodologies and performance measures discussed above. These should be conducted county-wide in the aggregate, and within the individual schools in which the strategies are being implemented.
- Conduct **periodic independent audits of programs by external parties**, which may be performed by some combination of the MCPS central office, the Office of Legislative Oversight, or by outside consultants, depending on the size and complexity of the program.
- Establish a process to speedily **discontinue or reform programs** that not meeting performance objectives cost-effectively.

Rec 2 LOCAL AUTONOMY. Increase innovation and initiative by increasing local autonomy for principals and teachers, and transitioning toward a process where individual schools, via School Improvement Plans (SIPs) and Strategy Proposals coordinated by school principals, play a greater role in developing, prioritizing, and implementing strategies. This should especially be promoted for strategies that address unique or extreme conditions/circumstances prevalent to a particular school or school’s student populations. This process, of course, has to take into account that not all principals or teachers will be equipped with the skill set or level of experience needed to be effective in developing strong SIPs. Therefore, this transition can be gradual, whereby principals that have been properly trained or otherwise identified as qualified are given the most autonomy and latitude. Less qualified principals should develop SIPs as well, but their plans might require a higher level of review and approval by the central office who can guide implementation. MCTL’s specific recommendations in this area are:

- Develop guidelines for developing Strategy Proposals and SIPs, and train principals, based on the evaluative protocols discussed in the *Process & Controls* recommendations above. Require principals to submit annual evaluative reports on progress made on SIPs and any specific strategies that have been approved and are being implemented, again based on the evaluative protocols and performance measures discussed above.
- Consider creating a process whereby principals prepare school-level Strategy Proposals which are submitted competitively for funding by something akin to an **Innovation Fund** created by central management to encourage initiative and autonomy. Consider a similar process for teachers wishing to submit innovative strategies for their classrooms.
- Maintain some aspects of the centralized model because there will shortages of qualified and trained principals and teachers.

- Focus efforts to increase local autonomy among principals and teachers in schools that have the most “special needs.” This may include, for example, schools with a high percentage of at-risk students or ESL students, or schools with special magnet or trade skill programs. The principals and teachers at these schools may be in the best position to see shortcomings associated with countywide instructional and support strategies at their unique schools or within their unique programs.

Rec 3 DIFFERENTIATED STRATEGIES. Allow for differentiated school strategies, based on student populations, the needs of identified individual students, available teachers, and specific school improvement targets in reading and math proficiency.

Rec 4 GENERAL LOCAL AUTONOMY. Increase local autonomy for principals and teachers to work together to make smaller-scale decisions, and to institute schoolwide and classroom policies that address short-term challenges a school may be facing. This would be in addition to increasing autonomy for larger-scale strategies, as discussed above. Such smaller-scale decisions might include granting principals/teachers more leeway to 1) give students special projects or extra-credit work, bonus points, or failing grades in the middle of a semester; 2) to call parents; 3) require lunchtime, before or after-school study sessions for identified students; or 4) other actions designed to push students to higher performance. *Many teachers will tell you the small things often have the biggest impact on focusing students on improving their behavior and study habits.* It will be necessary to develop processes, guidelines, and oversight to promote the benefits, and reduce risks of, increased general local autonomy.

Rec 6 OUTSOURCING & EDUCATIONAL ALTERNATIVES. Study the potential for outsourcing and for incorporating alternative schools and educational programs to reduce costs and enhance the cost-effectiveness of the above objectives, and to support increased empowerment and “local autonomy” for principals/teachers. (Educational alternatives are discussed further in the report below)

B. RESOURCE ALLOCATION RECOMMENDATIONS

The Black & Brown Coalition has made several major recommendations in this area which the Txpayers League fully support. Some of MCTL’s recommendations below closely follow the recommendations of the Black & Brown Coalition.

Rec 1 Reduce reliance on centralized “formula budgets” in allocation resources to schools. Allow the specific needs of schools and their student populations (quantified to the extent possible) to dictate budget requirements and allocations.

Rec 2 Increase the number of experienced (most capable) principals and teachers placed in schools with the greatest needs by implementing reforms and providing the necessary incentives. This may be schools with specialized programs or low performing schools with high percentages of at-risk students. For the later, prioritize schools based on data from the Equity Accountability Model and ERS study. MCTL’s specific recommendations in this area are:

- Provide training to principals and teachers that are specific to the unique needs of the schools and classrooms they serve, especially those in schools with high numbers of at-risk students, and place principals and teachers who complete these programs in schools and classrooms for which they have trained. Some will need more training for teaching minority students or those who are struggling

regardless of their circumstances. Make some of this training voluntary, so teachers and principals can self-select according to their inclinations. [CAUTIONARY NOTE: *When placing principals and teachers, be careful not to mistake years of experience for “capableness” in teaching at-risk or minority students.* Other factors can be more important.]

Rec 3 Investigate and strongly consider “incentive strategies” to promote movement of highly qualified and experienced principals and teachers into schools in need, especially those identified by Equity Accountability Model and ERS study.

- Various *differentiated pay* strategies should be strongly investigated and considered.
- Introduce *non-financial incentives* that address career progression and transfers to other schools in the system. Studies strongly show that money is not the prime motivator for most teachers. Specialized training and support that give teachers and principals effective tools and more confidence when placed in at-risk schools and classrooms are such non-financial incentives. [Success Academy of New York City may be a source of training programs. They have a very strong record of success with minority and at-risk students, and at one time, expressed interest in providing training services to school districts on their methods.]

Rec 4 Develop strategies for assigning a higher percentage of FARMs, minority students, and other students that are otherwise not “plugged in” to more the challenging Accelerated and Enrichment programs. This is integral to closing the Achievement Gap and could help MCPS reinforce/capture “peer effects,” which has not occurred in MCPS to nearly the extent experienced in most of the country. These strategies can be applied to White and Asian students as well, so they are not left out.

- The first step in implementing the above strategy is to identify less advantaged or less “plugged in” students – by name -- that have sufficient qualifications and grades, but don’t enter accelerated programs at a proportionate rate (as was found in the ERS Study).
- Develop strategies for increasing the number of students, especially less advantaged, that might be able to “give accelerated programs a try” and support these students. This has to be done without reducing the rigor of the courses -- a difficult but essential goal. Otherwise, the efficacy of these programs will suffer for all students, and there will an exodus from these courses to private and parochial schools, further segregating the school system both racially and according to economic circumstances. This requires keeping expectations the same for every student in these programs, regardless of background, while providing significant supports for students who may be less prepared for success. This support has to include additional work for these students including outside of normal school hours. *For these students, there is no shortcut and no substitute for hard work.*

Rec 4 Re-negotiate labor contracts to better enable MCPS to allocate staff to where they are most needed and properly rewarding/incentivizing these staff.

C. MAGNET, GT, CCR & OTHER ACCELERATED AND ENRICHED PROGRAMS

Backdrop. There continues to be a shortage of seats and inadequate geographic dispersal of accelerated learning programs (GT, Advanced Placement (AP), magnet programs, and other). This has resulted in lower participation rates among minority students and, among all highly-qualified, lower-income students (often referred to as the “excellence gap”), as well as a high number of very highly qualified students, especially among the Asian-Americans communities, who are deserving, but not accepted into the programs or have to travel long distances in order to participate. This continues to be the case even as Superintendent Smith has moved aggressively to expand these programs, especially in geographic areas that have historically had fewer. Finally, there is a strong and growing perception of declining rigor in many of these programs, although this has not yet been investigated not confirmed analytically.

- Rec 1 Conduct a study of Accelerated and Enrichment Programs to determine whether rigor is being maintained.** This will likely have to involve interviews with current and former teachers, students, administrators, and A&E Program Coordinators – which might require steps to ensure anonymity. It should also include an examination of policies, such as whether MCPS is adhering to the Maryland DOE guidelines for hiring magnet-qualified teachers, including advertising openings as strictly GT-teaching posts. While quantifiable performance indicators should be studied, such as percentage of students passing AP exams, such analyses would have to take into account that significantly increasing the number of students in the accelerated programs -- as has occurred -- will naturally lower overall passing rates. This is not a problem if the rigor in the classes is not affected. *Encouraging students to raise themselves to a higher level, even if some struggle, is a worthwhile endeavor, but only if students who are excelling are also able to accelerate their learning to their potential.*
- Rec 2 Introduce/Expand “A&E remedial interventions” outside of regular classroom hours to help struggling students that are trying to “raise themselves up.”** Going to the next level isn’t supposed to be easy, and sometimes the only corrective action is working and studying harder.
- Rec 4 Continue current efforts by Superintendent Smith to:** 1) strike the right balance between promoting CCR, magnet, and GT programs at the local schools and expanding programs at centralized locations; 2) strike the right balance between “career” readiness and “college” readiness; and 3) have a more equitable geographical spread of A&E programs. As these highly complex efforts move forward, subject them to quantitative performance measures, cost-effectiveness/cost-benefit analyses, and regular reviews and audits as discussed above in the *Process & Management* Recommendations.
- Rec 5 Continue to develop strategies to aggressively increase the number of A&E programs and the number of seats in A&E programs so that more students are admitted into these programs.** Efforts to increase the number of minority and disadvantaged students in A&E programs is a worthwhile endeavor. Equally important is meeting the needs of the high-achieving students, such as Asian-American and White students, who are fully qualified but are refused admittance because of lack of seats available. Only by increasing the number of programs and seats significantly can we meet demand and provide access to ALL qualified students, while at the same time supporting students who are “reaching for the next bar.” *Investigate education alternatives* (Recommendations below) to help meet these goals.
- Rec 6 Consider including high school Business/Entrepreneurship curriculum and programs as part of A&E.** So many of our most talented young people will be working in business as a career.

D. INCORPORATING EDUCATION ALTERNATIVES TO HELP MEET MCPS OBJECTIVES

Rec 1 **Develop a strategy for incorporating more alternative schools and educational programs, such as Pathways To Early College High Schools (P-TECH schools), public charter schools, and non-profit/parochial providers of education services.** These entities could provide a myriad of benefits to MCPS such as: speeding the process of reform; building needed capacity; filling strategic gaps; introducing specialized expertise, experience, and proven success; increasing the diversity of educational options; and otherwise leveraging the efforts of MCPS to improve education for all of its students. It is unfortunate that this strategy option is so often ignored, as it was in the Kirwan Committee report. However, it has not been ignored in dozens of states, cities, and jurisdictions that have benefitted from opening up their education systems. It is sometimes argued that education alternatives divert money from public schools; however, many alternatives such as charter schools ARE public schools and part of the public school system.

- In reviewing these strategies, MCPS should target the most successful, proven programs from around the country. Montgomery County is not like New Orleans, which endured a catastrophic hurricane, or even Washington, DC which required a significant make-over for its school system. MCPS is a fairly healthy system facing some important challenges and shortcomings as discussed in the “Backdrop” section of this report. MCPS can pick and choose the best programs to fill holes, reduce costs, and develop new specialized programs.
- Any educational alternative strategy should undergo the same stringent, quantitative cost-benefit analysis and be subject to performance measures and periodic reviews as any other strategy consideration (as discussed above in this report). One performance measure that might be added to educational alternatives is the level of popularity of, and demand for, the program, as this is the strong measure for the value being provided by the program.
- In pursuing educational alternatives, the following potential benefits should be factored in:
 - *Building Capacity Quickly and Cost-Effectively:* A good example is that MCPS is not able to build out its pre-K program nearly as quickly as it would like due to space availability and funding constraints for building out space. Utilizing already existing providers of pre-K education services would be a cost-effective way of overcoming these constraints while providing facilities and space already existing. MCPS would also benefit from expertise already in place. MCPS would be primarily left with developing standards for these schools and providing financial assistance to families.
 - *Leveraging MCPS Efforts to Close the Achievement Gap and Meet the Needs of Minority Students.* While the performance of different educational alternatives varies, many public charter schools and charter school networks have achieved eye-opening successes. The network of 46 Success Academy Charter Schools, for example, has a proven track record of raising the performance of minority students from the poorest neighborhoods in New York City as much as two grades each year until the students reach 95% proficiency in Math and over 90% proficiency in Literacy, on a school-wide basis, and every classroom is a high-performing classroom. The schools start off 90% minority, but sometimes experience “white flight” *into* the schools thereby achieving the ancillary desirable result of reversing segregation of the city’s schools. Chesapeake Foundation Charter Schools are achieving enormous success right here in Maryland, including PG County. The recent study by Stanford’s Center for Research on Education Outcomes found that students in Maryland

charter schools have on average made significantly greater academic progress than their counterparts in traditional public schools. This is particularly true of minority students, as Black charter students made Math gains equal to 47 extra days of learning per year, while Hispanic children's made gains in Reading equal to 77 additional days of learning.

- *Providing Specialized Schools and Educational Programs:* Educational alternatives can provide a myriad of specialized programs for which they are expert, be they vocational/trade programs, language immersion schools, or those specializing in the fast-rising Hispanic student populations, such as DC Bilingual, Mundo Verde, and Latin American Montessori Charter Schools in Washington, DC. There are 110 P-TECH schools, including in Maryland, that provide students with a high school diploma and two-year Associates degree, working with industry partners and local community colleges. The Cristo Rey schools incorporate paid internships for their students to defray the costs of their already low tuitions, while providing character building experiences for its students. These are just a few examples.
- *Addressing School Overcrowding:* School enrollment have exceeded school capacity increases 11 of the past 12 years. The resulting school overcrowding recently led the Planning Dept. to recommend a moratorium on development in 12.5% of the county. The backlog for new school construction and rehab is estimated to exceed \$800 million. Charter schools, non-profits, and other educational alternatives are generally able to finance their own facility requirements through lease arrangements, grants, use of vacant facilities, and other means. This could greatly reduce the pressures on MCPS to meet school construction needs, while freeing up substantial funds that can be devoted to other educational objectives.
- *Cost Savings and Cost-Effectiveness.* Alternative education programs have proven to be a very cost-effective option for school systems. In Maryland, the impressive performance realized by Chesapeake Foundation Charter Schools, especially for minority students, is being achieved with operating costs that are 70 cents to the dollar compared to traditional public schools, even before taking into account that they finance their own facilities with little to no local or state assistance and receive no funding for transportation (bussing). Stanford's Center for Research on Education Outcomes has exhaustively documented the cost-effectiveness of charter schools on a per pupil basis and even more importantly, ***measured against student proficiency gains realized.***
- *Promoting Innovation and Testing Reform Strategies:* Especially when given freedom to employ different governance, curriculum, training, recruiting and other strategies, educational alternatives promote innovation and prove a valuable testing ground for reform strategies.

FINAL NOTE ABOUT EDUCATIONAL ALTERNATIVES. Incorporating educational strategies is not an admittance of failure for MCPS. MCPS has proven itself capable of achieving outcomes for students; it just doesn't have to do ***everything*** through its traditional public schools. Diversity in school structures, educational programs, and approaches, is better for parents, students, and the school system as a whole even if no particular strategy is better than the others – it just has to be different.

E. OTHER ISSUES

Rec 1 INSPECTOR GENERAL. Create an Office of the Inspector General and hire an IG for MCPS.

The school system represents more than one-half of the county's budget and requires the same level of oversight as the rest of the county operations to prevent waste and fraud, and to review the cost-effectiveness of programs. MCPS funds a myriad programs and initiatives designed with good intentions but lack quantifiable objectives or performance measures. These are funded year after year without performance reviews. The IG should have considerable experience in auditing, internal controls, and conducting operational performance reviews.

Rec 2 Conduct an evaluation of current grading, assessment, and discipline policies with the objectives of eliminating policies that clearly run counter to, and introducing policies that support, higher student performance. This will likely have to be conducted by an outside consultant. Teachers, parents, and the students themselves report that such policies as eliminating final exams, generous "averaging" of semester grades to compute a final, generous assessment re-take policies, and giving students a grade of 50% simply for showing up for a test, are counterproductive. Students freely talk about "gaming the system" and how policies undermine discipline.

Rec 3 Research effective principal and teacher training programs from around the country. (At one time, Success Academy offered consulting in this area).

F. FUNDING GROWTH AND PROGRAM INITIATIVES

Several realities affect MCPS's funding challenges: 1) MCPS already has high per student operating and capital costs; 2) MCPS continues to experience significant increases in its student population (equal to three elementary schools or more than one high school per year), which recently greatly exceeded projections; and 3) Montgomery County as a whole is experiencing poor economic growth and frequent revenue shortfalls even with recent tax increases; this in a period of economic prosperity for the country as a whole. Our county sits between a "rock" (growing enrollment, over-capacity, and cost inflation) and a "hard place" (inability to effectively control costs). The following are MCTL's recommendations.

Rec 1 Adopt stringent processes and evaluative protocols (methodologies) for conducting cost-benefit/ROI analysis of projects and for on-going evaluation, prioritization and elimination, as necessary, of programs and initiatives (this was discussed above in detail need not be elaborated on here).

Rec 2 Reform the Budget Process to 1) promote accountability and cost control, and 2) participation of additional stakeholders. Currently, annual budgets are developed by MCPS staff with outside participation consisting primarily of union officials. They only represent a very narrow part of the constituent spectrum. Participation should also include civics and taxpayer groups that have a stake in ensuring the school system offers high quality service at a good value, and perhaps experts in key areas of expertise such as construction, IT, and finance.

Rec 3 Take steps to reign in school construction costs. Some of this falls under the purview of the State of Maryland, rather than the County or the School Superintendent. Regardless, there are steps the county can take to build schools more cost-effectively. Otherwise, efforts to fund promising educational programs and improve student outcomes overall will continually be severely hampered. At the current pace of enrollment, it is expected that more than 30% of all Montgomery County schools will be at or over-capacity within the current construction improvements planning (CIP) cycle. We can also assume we cannot rely on a materially larger share of state construction funding. It is difficult to compare

construction costs across geographic regions because of cost of living and land cost differences; however, MCPS's is considerably higher than the national median. Seneca Valley HS is currently under construction at a projected cost between \$150M and \$165M, which translates into \$338 to \$372 per square ft. (43% to 50% higher than the national median). This might be compared to the Houston, TX region, where aggressive efforts to rein in costs have cut it down to an average \$135 per square foot, with its fast-growing, mostly white Cy-Fair District in suburban Houston building schools as low as \$107 per sq foot.

- ***Conduct a comprehensive study on ways to reduce school construction costs.*** Including in this analysis could be school design practices, school prototypes used and the potential for new or more variable prototypes, construction mandates, site selection criteria, school uses, school size, and the possible impacts of pre-K, CCR programs, and other initiatives currently ongoing or on the drawing board. A realistic, goal might be to reduce construction costs by 25% (which amounts to \$12.5 million on a \$50 million construction project – or 125 teacher hires). This study may be done with the help of outside consultants, but can also include the participation of local and national school, construction companies, and officials of other school systems. It should be noted that cost-cutting efforts in Houston, TX were spearheaded by citizen-minded construction companies concerned about waste and inefficiency in their school system. Currently, initial designs are mostly developed by government administrators, and bids are solicited based on these designs. The “design-build” method, where constructors bid based on their own designs, within stated parameters, can result in more innovative, creative, and less expensive outcomes.
- ***Study the possibility of building smaller, specialized schools for the many programs being considered by MCPS.*** Not every high school, such as those for specialized CCR or magnet programs, needs a football team (or a football field).
- ***Conduct a comprehensive analysis of placing so much burden of meeting stormwater mandates on the school system (i.e., using school properties to meet the State’s Decree and the additional requirements mandated by the county).*** This has a lot of moving parts, many of them legal. But according to the 2017 *Report on New School Construction Costs* by the Office of Legislative Oversight (OLO), grading, utilities, landscaping, and other site costs have increased 20.0% or more because of stormwater management regulations which require site specific SWM practices and multi-stage design reviews. These result in higher civil engineering costs, less available land for siting new schools, and preference to non-standard, higher-cost design alternatives to meet standards. The study can start with the county’s own mandates - Montgomery County has put in place more stringent SWM requirements on itself than even the State. The OLO report estimates that simply employing less stringent State standards for redeveloped sites would reduce square foot site costs by 10 to 20 percent. This doesn’t even include the value of the land owned by the county that is taken out of commercial development for SWM projects.
- ***Investigate the possibility of leasing buildings for specialized programs,*** such as A&E programs and pre-K. One limited study found that charter schools that own their own buildings pay \$895 per pupil on average for facilities, while those that lease their buildings pay \$570 per pupil. The numbers may not be as good for traditional public schools with access to tax-exempt instruments.
- ***Examine educational alternatives as a strategy for addressing school capacity backlogs.*** Charter schools, non-profits, and other educational alternatives are generally able to finance their own facility requirements through lease arrangements, grants, use of vacant facilities, and other means. This could greatly reduce MCPS’s capital requirements for school construction.

Montgomery County Taxpayers League - EDUCATION REPORT - Achieving Education Objectives Cost-Effectively

About the Montgomery County Taxpayers League

Since 1975, the Montgomery County Taxpayers League has served as the foremost advocate for accountable and cost-effective government in our county. We have established and maintained a reputation for non-partisanship, objectivity and thoroughness in our research, analysis, reports, and testimony, having challenged and worked with county officials on nearly every aspect of the budget and operations. We keep residents educated and informed of county affairs, primarily through our regular monthly meetings, to which almost every important elected official and county department head has appeared to speak and answer questions from attendees. The Taxpayers League endeavors to represent all the residents of the county, and to ensure all interests and potential solutions are given consideration as the county establishes policies. The Taxpayers League continues to play a vital community and civic service to our county.

The Taxpayers League has been working with MCPS management and the Board of Education to improve the strategic planning process, and to incorporate using objective, quantifiable, performance measures tied to student outcomes and increased access to educational programs. We understand it takes data to develop good strategies and we applaud recent efforts to collect and analyze this data.

Montgomery County Taxpayers League

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