Review of 2016 Maryland Education Funding Adequacy Study

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Today’s Presentation

• 2016 Study Overview
• 2016 Study Recommendations
  – Comparison to 2014-15 Maryland Base and Weights
  – Total Recommended Funding
Overview of the 2016 Adequacy Study
2016 Study of Adequacy Funding for Education in Maryland

• This evaluation of the Bridge to Excellence in Public Schools Act was mandated as part of the Act’s enacting legislation (Chapter 288, Acts of 2002)

• Focus is on reassessing the adequacy of the current foundation formula - per student base funding amount and weights for special needs students (compensatory, LEP, and special education)

• Adequacy considerations:
  – New State standards and assessments
  – Effects of concentrations of poverty
  – Achievement gaps
  – Impact of quality prekindergarten
## 2016 Studies

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<th>Preliminary Studies</th>
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<td>Case Studies of Improving Schools Due October 2016</td>
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<td>Increasing/Declining Enrollment Study Due June 2015</td>
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<td>Literature Reviews Multiple Reports and Due Dates</td>
<td>Professional Judgment Approach Due October 2016</td>
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<td>Equity and Local Wealth Measures Study – Due September 2015</td>
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<td>Analysis of Concentrations of Poverty on Adequacy Targets Literature Review Due June 2015 Final Report Due October 2016</td>
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<td>Gaps in Growth and Achievement Among Student Groups Due October 2016</td>
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<td>Regional Cost of Education Indices Final Report Due June 2016</td>
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<td>Correlation of Deficits in Student Performance and Funding Due October 2016</td>
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<td>Supplemental Grants Evaluation Due October 2016</td>
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<td>Impact of Quality Prekindergarten on School Readiness Due October 2016</td>
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<td>Other Factors in Adequacy Cost Study Due October 2016</td>
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- Technical Assistance
How Studies Contribute to Maryland State Formula Update

State Funding Formula

**Student Counts**
- FRPM as Proxy for Economically Disadvantaged Count/Community Eligibility Provision
- Increasing/Declining Enrollment Study
- Prekindergarten Services Study
- Impact of Quality Prekindergarten on School Readiness

**Base Cost**
- Successful Schools Approach
- Evidence-Based Approach
- Professional Judgment Approach
- Prekindergarten Services Study

**Student Need Weights**
- Evidence-Based Approach
- Professional Judgment Approach
- School Case Studies
- Analysis of Concentrations of Poverty on Adequacy
- Correlation of Deficits in Performance and Funding

**Local Wealth/Effort Measures**
- Equity and Local Wealth Measures Study
- Regional Cost of Education Indices

**Other Adjustments**
- School Size Study
- Supplemental Grants Evaluation

**Background Studies:** Review of State Adequacy Studies, Literature Reviews, Gaps in Growth and Achievement Among Student Groups, Other Factors Affecting Adequacy
2016 Adequacy Study

Utilized three approaches for estimating adequacy:

1. Evidence-Based (EB) approach
2. Professional Judgment (PJ) approach
3. Successful Schools (SSD) approach
Evidence-Based Approach

• Evidence-Based
  – Relies on research and model-school information to design a set of prototype schools and a prototype district
    • Used the prototype models for today’s figures; felt important to compare this model to other results
    • Will run a second, scaled up model using a larger district for the June meeting
  – Focuses on resources needed for meeting all current Maryland standards
  – Model was reviewed by four panels of Maryland educators during the study. The panels made a number of recommendations, three adjustments were made were recommendations could be supported by research.
Professional Judgment Approach

• Professional Judgment
  – Relied on multiple panels of MD educators that build on one another to construct a set of representative schools and a representative district
    • 9 panels were convened including school level, special needs, prekindergarten, CFO, district, and statewide panels
  – Focuses on resources needed for meeting all current Maryland standards
Successful Schools Approach

• Successful Schools
  – Identified 111 schools using 2 different criteria (110 included in analysis)
    • High performance: >= 95% proficient or above
    • High growth: >= 40% growth in proficient or above over 6-year period, minimum overall proficient or above of 80% in 2012
    • Includes 65 elementary schools, 29 middle schools, and 17 high schools representing 16 districts
    • Will add PARCC filter in the near future
  – Districts were asked to fill out a guided collection device; data was received for all but one school
  – Important to remember that Successful Schools identifies what is spent at a base level to meet current standards and within current funding system
2016 Adequacy Study

• Also required to make recommendations on:
  – Whether changes to the FTE enrollment count should be made to address increasing/declining enrollments in school districts
  – Providing universal, high-quality prekindergarten
  – How low-income students are counted for state aid purposes due to the federal Community Eligibility Provision
  – How local wealth is measured for state aid purposes, including whether to change the date(s) of the NTI data used in the measure
  – Whether to update the current Maryland Geographic Cost of Education Index or adopt a new methodology
  – Whether the Supplemental Grant program should be changed or discontinued
2016 Adequacy Study Results and Recommendations
## Multiple Approaches Used to Estimating Adequacy in Maryland

<table>
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<tr>
<th>Benchmark of Success</th>
<th>Evidence-Based</th>
<th>Professional Judgment</th>
<th>Successful Schools/Districts</th>
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<tr>
<td></td>
<td>Ensuring students can meet all State standards</td>
<td>Ensuring students can meet all state standards</td>
<td>Currently outperforming other Maryland schools</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Data Source</th>
<th>Evidence-Based</th>
<th>Professional Judgment</th>
<th>Successful Schools/Districts</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Best practice research, reviewed by Maryland educators; when conflict arises in resource recommendations, the EB approach defers to the research</td>
<td>Expertise of Maryland educators serving on PJ panels; uses research as a starting point but defers to educators when conflict arises in resource recommendations</td>
<td>2014-15 expenditure data from selected successful schools</td>
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<thead>
<tr>
<th>Available Data Points</th>
<th>Evidence-Based</th>
<th>Professional Judgment</th>
<th>Successful Schools/Districts</th>
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<tbody>
<tr>
<td>Base</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Student Adjustments (Weights)</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
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## Results of Three Approaches

<table>
<thead>
<tr>
<th></th>
<th>Evidence-Based</th>
<th>Professional Judgment</th>
<th>Successful Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base Cost</strong></td>
<td>$10,551</td>
<td>$11,607</td>
<td>$8,716</td>
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<tr>
<td><strong>Weights</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensatory Education (At risk)</td>
<td>0.30</td>
<td>0.36</td>
<td>N/A</td>
</tr>
<tr>
<td>Limited English Proficient</td>
<td>0.38</td>
<td>0.61</td>
<td>N/A</td>
</tr>
<tr>
<td>Special Education</td>
<td>0.70</td>
<td>1.18</td>
<td>N/A</td>
</tr>
<tr>
<td>Prekindergarten</td>
<td>0.40</td>
<td>0.26</td>
<td></td>
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* Note, adequacy weights are unadjusted for federal funds. EB special education weight does not include severely disabled students while PJ weight does. PJ weights for at-risk and LEP are averages across varying concentrations.
Developing a Final Blended Base

• It was important to utilize all three approaches for the study team to understand the differences in base costs associated with meeting Maryland’s benchmarks of success

• The final base cost figure is based on the results of both the PJ and EB approaches

• The results of these two approaches best represent resources required to meet all state standards
  – The study team does not believe the SSD figure fully represents the current cost of adequacy in Maryland, however, the study team believes that the SSD figure could be used during the phasing-in of a new funding system. The results represent what is needed for schools to out perform other schools on current standards.
Developing a Final Blended Base

– EB and PJ base estimates are similar, about $1,000 per student apart
– The main areas of resource differences between the EB and PJ approaches were:
  • Elementary class size ratios
  • Middle school teacher utilization rates
  • School administration
  • School level student support services
  • Career and Technical Education (CTE) included in PJ model but treated as a separate categorical aid in EB
– The differences were reconciled using research and information available from the two studies and the case studies
Resources Included in Base

Key Resources in the Development of the Base Figure

- Small class sizes
- Staffing to support (but not limited to) the following areas: art, music, PE, world languages, technology, CTE, and advanced courses
- Significant time for teacher planning, collaboration, and imbedded professional development
- Additional instructional staff, including instructional coaches, and librarian/media specialists
- High level of student support, such as counselors, nurses, behavior specialists, or social workers, for all students
- Administrative staff to allow for instructional leadership, data-based decision making, and evaluation
- Technology rich learning environments, resourced at a level that would allow for one-to-one student devices
- Resources for instructional supplies and materials, assessment, textbooks, and student activities
- District-level personnel and other resources to support schools
Developing Adjustments for Special Needs Students: Weights

• Once the blended base cost was determined, the study team:
  – Recalculated weights for special needs students using the blended base
  – Examined differences in the weights between the two models and made adjustments
  – Reviewed special needs weights nationally to ensure recommended weights were comparable
Resources Included in Weights

• Compensatory Education
  – Instructional support from additional teachers, instructional coaches and interventionists
  – Additional pupil support staff
  – Additional administration and coordination at school-level
  – Supplies, materials and equipment
  – Extended learning opportunities- summer school, before/after school, etc.
  – District administration and support

• English Learners
  – Teachers and instructional coaches for language acquisition support
  – Additional pupil support staff
  – Supplies and materials
  – District administration and support
Resources Included in Weights

• Special Education
  – Special education teachers and paras
  – Coordinators
  – Therapists and related services
  – Supplies, materials and equipment
  – District administration and support

• Prekindergarten
  – Primarily smaller class sizes
# 2016 Study Recommendation for Blended Per Pupil Base and Weights

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<tr>
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<tbody>
<tr>
<td><strong>Base Amount</strong></td>
<td>$6,860</td>
<td>$10,970</td>
<td>$10,880</td>
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<tr>
<td><strong>Compensatory Education</strong></td>
<td>0.97</td>
<td>0.40</td>
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<td><strong>LEP</strong></td>
<td>0.99</td>
<td>.040</td>
<td>0.35</td>
</tr>
<tr>
<td><strong>Special Education</strong></td>
<td>0.74</td>
<td>1.10</td>
<td>0.91</td>
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<tr>
<td><strong>Prekindergarten</strong></td>
<td></td>
<td>0.35</td>
<td>0.29</td>
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Other Recommendations

• Other recommendations that impact costs were made in the following areas:
  – Student FTE enrollment count
  – Low-income student count
  – Expanding high-quality prekindergarten
  – Regional cost adjustment
  – Equity and local wealth measures
  – Supplemental grant program
Total Cost of All 2016 Recommendations

• Total funding for major Prek-12 education aid programs, excluding transportation and GTB, would increase by 29%, from $10.3 billion to $13.2 billion
• State share would increase 39%, from $4.9 billion to $6.8 billion
• Local appropriations would increase 19%, from $5.4 billion to $6.4 billion
Questions?