

R00A02

Aid to Education

Maryland State Department of Education

Response to the Analyst's Review and Recommendations

House Education and Economic Development Subcommittee –  
February 24, 2016

Senate Education, Business, and Administration Subcommittee –  
February 25, 2016



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**The Maryland State Department of Education (MSDE) welcomes this opportunity to share with the Committee some of its success stories and to address questions raised by the analyst.**

## **Addressing Basic Cost and Local Share of Basic Cost Concerns for Nonpublic Placements**

**MSDE should comment on the status of its work to address the issue of simplifying the calculation of basic cost. MSDE should also comment on whether the appropriation for fiscal 2016 and 2017 will be sufficient to cover costs, and on progress it has made in predicting costs for the NPP.**

MSDE has worked closely with the Department of Legislative Services (DLS) to address the issues regarding the calculation of basic cost and the local share of basic cost, including simplifying the process. As a result of this collaboration, MSDE investigated the calculation in terms of the individual components and their roles in the calculation.

The basic cost calculation is designed to determine the basic cost of educating a non-disabled student. The current methodology excludes all identifiable special education costs and assumes that some costs for special education students are included in district-level and central support costs and as such, attributes a portion of these non-instruction or “indirect” costs to the total cost of special education. The methodology for this allocation of non-instruction or indirect costs was the focus of MSDE’s deeper investigation.

MSDE has developed a revised methodology for calculating the non-instruction or indirect costs and created optional scenarios for attributing the portion of these costs to the total cost of special education. MSDE will share this information with DLS in the coming weeks. It is the shared goal of DLS and MSDE to finalize the methodology and share new rates with the local school systems this spring.

The FY 2016 appropriation, including the deficiency requests, is sufficient to cover costs for FY 2015 and FY 2016. Using FY 2016 cost estimates and assuming no material changes to the methodology, MSDE estimates the FY 2017 allowance is sufficient. However, it is important to note that any changes to the methodology will impact the State and local shares of this program.

## **Cost of Quality Teaching Incentives Continues to Be Addressed**

**DLS recommends the adoption of committee narrative directing MSDE to use new assessment data and evidence-based research to make recommendations to enhance teaching as a profession and improve teacher preparation and retention.**

MSDE concurs with the recommended committee narrative on teacher preparation and retention.

In November 2015, MSDE, in conjunction with the P-20 Council’s Task Force on Teacher Education, submitted two separate but intersecting reports to the General Assembly; one on the

Quality Teacher Incentive Act (QTIA) of 1999 and the other on teacher induction. Based on a recommendation from the reports and the proposed committee language, MSDE will form a stakeholder group to review the QTIA and to identify effective ways for recruiting and retaining high quality teachers. The workgroup will submit a report by December 1, 2016 that includes recommendations that are informed by the new assessment data.

## **Pathways in Technology Early College High Schools (P-TECH)**

**MSDE should comment on why this RFP was issued prior to approval of planning grant funding and whether the deficiency funds can be fully spent in fiscal 2016.**

A Steering Committee comprised of representatives from the Governor's Office, the business community, the Department of Budget and Management, the Maryland Higher Education Commission and MSDE, during the course of multiple meetings over the last several months, decided to issue a Request for Proposals (RFP) to begin the planning process for the first Pathways in Technology Early College High Schools (P-TECH) in Maryland. The Governor's November 2015 P-TECH announcement indicated the program would be available in four schools beginning in the 2016-17 school year.

To meet this time frame, the Steering Committee decided to issue the RFP concurrent to a deficiency appropriation request and legislation in both houses of the General Assembly. The RFP specifically states that awards are contingent on the availability of funds. Responses to the RFP are due in March, with awards, pending legislative action, anticipated in April.

The FY16 deficiency funds will be used to prepare for implementing the P-TECH program by the fall of 2016. Specifically, selected school systems will need to build relationships with the private sector and community college partners to develop a strategic plan, assign staff, identify curriculum, provide professional development, and prepare instructional materials prior to the start of the school year. MSDE anticipates that by July 1, 2016, selected school systems will fully obligate the funds included in the FY 2016 deficiency to plan for the implementation of P-TECH.

## **Bridge to Excellence in Public Schools Act**

**MSDE should comment on the status of the master plan review and approval process.**

As required by the Bridge to Excellence (BTE) in Public Schools Act of 2002 local school systems submit five-year master plans and annual updates. Beginning in 2015, local school systems submitted a new rolling five-year Comprehensive Master Plan based on an analysis of performance relative to State and federal standards. Due to the transition from the Maryland School Assessment (MSA) to the Partnership for Assessment of Readiness for College and Careers (PARCC), school systems conducted performance analyses based on local formative assessments and other standardized research-based assessments. All 24 master plans were approved and presented to the Maryland State Board of Education on December 8, 2015.

Based on several developments, there is a need to update the current Comprehensive Master Plan process. On January 11, 2016, the State Board respectfully requested that the Maryland General

Assembly grant the Maryland State Department of Education (MSDE) and local school systems a one-year waiver from the Master Plan reporting requirements outlined in Section 5-401 (b)(3)(ii) of the Education Article. In doing so, MSDE committed to improving the usefulness of the current Master Plan and its process.

In recent years, several changes have impacted the State's education accountability system. These include the Maryland College and Career Ready Standards, adopted in 2013-2014; the implementation of new PARCC assessments aligned with the new standards in 2015; and the reauthorization of the Elementary and Secondary Education Act in 2015, through the enactment of the Every Student Succeeds Act. These changes require updates to the current Comprehensive Master Plan process to improve alignment with the developing accountability system.

The State Board is committed to supporting local school systems in meeting academic targets and achieving identified outcomes. Deferring the Master Plan reporting requirement for redesign will enhance accountability, ensure better alignment, and allow for continued collaboration between the State and local school systems.

## **Recommended Actions**

Add the following language:

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer the funds from program R00A02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days to review and comment on the planned transfer prior to its effect.

**MSDE concurs.**

Add the following language to the general fund appropriation:

, provided that \$104,000 of this appropriation made for the purpose of providing Pathways in Technology Early College High Schools grants shall be contingent upon the enactment of HB 464 or SB 376.

**MSDE concurs.**

Adopt the following narrative:

**High Quality Teaching:** The budget committees direct the Maryland State Department of Education to submit a report on its recommendations for improving teacher preparation and retention, including any statutory changes that would allow for increased flexibility in allocating the Quality Teacher Incentive grants and models for teacher support beyond the use of grants. These recommendations shall be informed by the use of new assessment data to review the status and progress of comprehensive needs schools, as well as the inclusion of stakeholders in the recommendation process. The report shall be submitted to the budget committees no later than December 1, 2016.

**MSDE concurs.**

Add the following language to the general fund appropriation:

, provided that this appropriation be contingent upon the enactment of HB 464 or SB 376.

**MSDE concurs.**