

## Operating Budget Committee

Submitted by: Laura Mitchell, Chair (410)422-2694 operatingbudget@mccpta.org  
November 7, 2018

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It is the goal of the Operating Budget Committee to have AT LEAST one representative from each of the six (6) Areas. Current Area representation on the Operating Budget Committee:

Area	Representative	Email	Phone
At Large:	Vacant		
DCC (Blair/Einstein/Kennedy/North wood/Wheaton)	Laura Mitchell, Chair	<a href="mailto:Laura_mitchell@comcast.net">Laura_mitchell@comcast.net</a>	410-422-2694
BCC (Bethesda-Chevy Chase/Walter Johnson/Whitman)	Dr. Henry Smith, Vice Chair	<a href="mailto:henry.smith@jhu.edu">henry.smith@jhu.edu</a>	202-251-9540
Central PTAs (Churchill/Richard Montgomery/Poolesville/Rockville/ Wootton)	Vacant		
North PTAs (Damascus/Gaithersburg/Magrud er/Watkins Mill)	Khristy Kartsakalis	<a href="mailto:treasurer@mccpta.org">treasurer@mccpta.org</a>	301-367-3609
NEC (Blake/Paint Branch/Springbrook And Sherwood)	Brian Carter	<a href="mailto:briancarter@gmail.com">briancarter@gmail.com</a>	240-423-7773
West PTAs (Clarksburg/Northwest/Quince Orchard/Seneca Valley)	Teddy Wu	<a href="mailto:tedwu@yahoo.com">tedwu@yahoo.com</a>	301-802-4431

- **Recent & Ongoing Activities**

- Superintendent's Operating Budget Advisory Committee Updates
  - The MCPS Operating Budget Advisory Committee meetings have commenced work on the FY2020 budget. Previously, Cheryl Peirce was attending the BAC meetings and reports that "Stakeholders" are not being included in the actual budget meetings as in previous years but are instead taking part in an Advisory Committee. **This warrants further discussion to ensure that we have a real voice in the compilation of the budget.** Cheryl has resigned from the BAC and the OBC. Chair Laura Mitchell will attend the final meeting November 8<sup>th</sup> and have access to the materials from earlier meetings.
- Kirwan Commission – OBC Vice Chair, Henry Smith is closely following and report on findings and recommendations of the Kirwan Commission. It is important that we follow the Commission's recommendations and, especially, any statewide legislation that may arise from the recommendations. This committee will track legislation, quickly evaluate, summarize and report to MCCPTA any proposed actions that could impact MCPS. We will need to reach consensus on whether to support/oppose/take no position on bills and will likely need to coordinate and arrange testimony in Annapolis to represent the interests of MCPS students. Please read the attached memo from Henry.
- MCCPTA Testimony Workshop –January 7, 2019 \* (Tentatively)
  - Each year, MCCPTA conducts workshops to coordinate testimony from the AVPs/CCs to form a cohesive, nonrepetitive, message to the BOE and the County Council that supports the priorities of the MCCPTA membership (adoption of this year's priorities is scheduled for Tuesday, October 21, 2018 at the Delegates' Assembly meeting). Testimony may also address specific proposals included in the Superintendent's budget.

- Brian Carter of the OBC is coordinating this workshop:
  - Tentative date: January 7, 2019
  - Location: TBD
  - Refreshments: potluck
- Operating Budget Testimony Coordination
  - The OBC seeks to identify AVPs and CCs to establish a clear communication loop; we will need to disseminate information, get feedback and develop our testimony very quickly once Dr. Smith releases his budget.
  - Board of Education
    - Sign-up period: December – January
    - Testimony: January 9<sup>th</sup> & 14<sup>th</sup>
  - County Council
    - Sign-up period: March – April
    - Testimony: April 2019

○ **2018/2019- Events & meetings**

MCPS Calendar (Source: <https://www.montgomeryschoolsmd.org/departments/budget/>)

- December 4, 2018 FY 2020 Recommended Operating Budget Overview presentation during the Board of Education Business Meeting
- December 18, 2018 Public Presentation of the Recommended Operating Budget, location to be determined
- December 2018 through January 2019 \* Sign-up period for speakers at Board of Education Public Hearings
- January 5, 2019 OBC Testimony Workshop (8:30am – Noon, location TBD)
- January 9 & 14, 2019 Board of Education Public Operating Budget Hearings
- January 17 & 24, 2019 Board of Education Operating Budget Work Sessions
- February 12, 2019 Preliminary Adoption of the FY 2020 Operating Budget
- March 1, 2019 Board of Education Budget Transmittal to County Executive/Council
- March 14, 2019 County Executive Releases the FY 2020 Operating Budget
- April 2019 County Council Budget Public Hearings
- April – May 2019 County Council Work Sessions
- May 23, 2019 County Council Budget Action
- June 11, 2019 Final Adoption of the FY 2020 Operating Budget
- \*Please check the Board of Education web page in November 2018 for information about the sign-up period for the public hearings.

MCCPTA Operating Budget Supplemental Calendar

- December 13, 2018 (Tentative) – Operating Budget Forum with MCPS @ MCCPTA BOD (AVPs & CCs invited)
- December 17, 2018 (Tentative) - Operating Budget Workshop; Briefing on budget and advocacy items of concern and testimony guidance.

For Your Reference:

- BOARD OF ED MEETINGS: <http://www.montgomeryschoolsmd.org/boe/meetings/>
- COUNTY COUNCIL MEETINGS: [http://www.montgomerycountymd.gov/COUNCIL/budget\\_summary/index.html](http://www.montgomerycountymd.gov/COUNCIL/budget_summary/index.html)



Memo To: MCCPTA Board of Directors

From: Henry Smith, Vice Chair, Operating Budget Committee

Subject: Kirwan Commission

## **Kirwan Commission**

The Commission on Innovation and Excellence in Education (Commission), also referred to as the Kirwan Commission, was created by legislation in 2016. Members of the Commission represent the governor, the legislature and numerous stakeholder organizations including Ms. Elizabeth Ysla Leight, Past President of the Maryland PTA, and Craig Rice of the Montgomery County Council. The Commission's mission is to review the findings of the Study of Adequacy of Funding for Education in Maryland required by the Bridge to Excellence in Public Schools Act released in 2016; to hear from national experts on world class education systems; to review and recommend any needed changes to update the current education funding formulas (known as the Thornton formulas); and to make policy recommendations that would enable Maryland's preK-12 system to perform at the level of the best-performing systems in the world. The Commission was originally scheduled to deliver their report in time for the 2018 legislative session, but they did not. Their mandate was extended into 2019, and the current plan is for the Commission to deliver a final report by the end of 2018.

Working with its consultants, Augenblick, Palaich and Associates Consulting (APA), the Kirwan Commission spent 2018 costing out its preliminary recommendations. Those recommendations include:

### 1) Early Childhood Education

Provide strong supports for children and their families before students arrive at school.

### 2) Ample Supply of Highly Qualified and Diverse Teachers and School Leaders

Assure an abundant supply of highly qualified teachers; and redesign schools to be places in which teachers will be treated as professionals, with incentives and support to continuously improve their professional practice and the performance of their students.

### 3) College and Career Readiness Pathways

Create clear gateways for students through the system, set to global standards, with no dead ends; create an effective system of career and technical education and training.

### 4) More Resources for At-risk Students

Provide more resources for at-risk students than for others.

### 5) Governance and Accountability

Institute a governance system that has the authority and legitimacy to develop coherent, powerful policies and the capability to implement them.

Kirwan Commission: <https://msa.maryland.gov/msa/mdmanual/26excom/html/13edinnov.html>

Maryland Commission on Innovation & Excellence in Education (Kirwan Commission) Preliminary Report (Jan 2018):

## **Maryland State Aid to Education**

Previous commissions and consultants recommended that the state create a base formula for funding Maryland schools with a standard (or base) amount for each student in the state, plus three additional formulas. These three additional formulas consist of weights applied to the base formula for: students at-risk of failing to meet the State's standards, including low-income students; English language learners; and special education students. These formulae are used to calculate the state contribution to the school systems, with the state holding the school systems accountable for the use of additional funds to improve student performance. The amount of the base and the percentages of that base amount used to calculate the additional amounts for each category of at-risk students are calculated using a combination of standard "adequacy" methods, involving expert opinion, and calculations of the actual spending by schools that were getting students to standards similar to the ones implemented by the state (the "successful schools" method).

Hence, the current funding formulas for providing state aid to local school systems are largely based on the following factors: (1) a per pupil foundation funding amount; (2) weights from which an extra per pupil amount is provided for students with special needs; (3) a regional cost adjustment; (4) enrollment; and (5) the wealth of a local school system relative to others in the state. These five factors, when considered together, lead to how much state education aid is provided to each local school system and how much education aid must be provided by the county. Earlier consultants (APA) made recommendations for changes within each of these factors, *but they did not recommend completely abandoning this basic structure*. While some of the consultants' recommendations were partially adopted, there was not, to date, a major overhaul of state funding formulae. That major overhaul will be considered by the legislature after the final Kirwan Commission Report is filed.

**The Commission's next meeting will be held on Wednesday, November 14, 2018; 9:30 am-5:30 pm, at 120 House Office Building (House Appropriations Committee Room), 6 Bladen Street, Annapolis, Maryland.**

One of the funding factors, (5) wealth of the school district, presents a particular challenge when calculating state aid for MCPS. Montgomery County's \$119 billion in wealth, out of a Maryland state total of \$463 billion in total income and property wealth, makes MC, by far, the wealthiest county in the state. This, of course, means that any revamping of state education formulae could pose a severe threat to our state education aid. Currently, for the state to determine its amount of education aid to each school district, a county's wealth is calculated on both the income of county residents and a portion of the assessed value of the property in the county. These two amounts are added together to calculate the overall wealth of a county. Further, the state guarantees that every local school system, regardless of a county's total wealth, will receive a minimum of 15% of the total foundation aid from the state and a minimum of 40% of the aid for special needs students from the State. *Montgomery County should take note that the consultant's report in 2016 recommended that each of these minimums, referred to as "funding floors," be eliminated.*

### **Factors effecting local ed needs:**

At-risk index, MC is 11<sup>th</sup> of 24

Based on state education formula on local wealth: MC is fourth wealthiest (behind Talbot, Worcester and Kent) county in state

Growth trend 2008-2019: MC enrollment growth is 1.4%, only behind Howard and Garrett

### **Jurisdictions with lowest amounts of state aid per pupil (PP) in FY 2018 (federal, state and local contributions):**

Anne Arundel

Fed: \$530 state: \$5200 local: \$8400 (combined with other miscellaneous funds) totals \$14,212 PP spending

**MCPS**

**Fed: \$476 state: \$5,359 local: \$10,599 MC (combined with other miscellaneous funds) totals \$16,498 PP spending**

Howard

Fed: \$366 state: \$5400 local: \$10,321 (combined with other miscellaneous funds) totals \$16,222 PP spending

(Worcester and Talbot also receive less state aid than Anne Arundel)

**Jurisdictions with *highest* amounts of state aid per pupil (PP) in FY 2018:**

Somerset state: \$12,700

Baltimore City state: \$12,000

(followed by Caroline, Allegheny, Wicomico, Dorchester and Prince Georges)

**Total state education aid in FY19: \$ 5,803, 594,374**

**FY 19:**

MCPS state funds: \$4,500 pp (only Talbot and Worcester get less state education aid in FY19)

State avg: \$6,742 per pupil