

ED COMMITTEE #2
September 24, 2007
Discussion

MEMORANDUM

September 20, 2007

TO: Education Committee

FROM: Essie McGuire, Legislative Analyst *E. McGuire*

SUBJECT: **Discussion – MCPS Budget Priorities**

Today the Education Committee will discuss its budget priorities for the FY09 Operating Budget of the Montgomery County Public Schools (MCPS). In response to a request from the Council President (circle 1), Board of Education President Nancy Navarro sent the memorandum starting on circle 4. The MFP Committee is also scheduled to discuss priorities for all agencies on September 24, and the Council is scheduled to approve a resolution setting its priorities on September 25.

Mrs. Navarro's letter outlines several areas of focus for the school system:

Community input: Mrs. Navarro emphasizes the value of community input and the measures MCPS takes to outreach to the community, including the upcoming public budget forums. In addition, Mrs. Navarro raises the possibility of both leadership bodies creating a shared vision and comprehensive strategic plan for Montgomery County. Board of Education member Sharon Cox clarified her position on this suggestion in an email attached at circles 10-11.

High quality workforce: The issues raised here include recruitment and retention as well as professional development. Council staff notes that the FY09 budget will include the additional compensation-related budget pressures of the second year phase-in of both the negotiated contracts and the GASB requirements.

Early childhood education: Mrs. Navarro states that this issue is a top priority for the Board. The Health and Human Services and Education Committees have also focused on this issue in recent years.

Secondary school initiatives: Recent budget initiatives have focused, as Mrs. Navarro indicates, on the secondary level. The continuation of initiatives such as Middle School Reform and the Hours Based Staffing for Special Education services will likely be an area of focus in the upcoming budget year.

Mrs. Navarro's letter also discusses technology improvements as critical to the Board's strategies for enhancing classroom instruction. She concludes by raising the issue of inflationary pressures for increases in costs of textbooks and materials.

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-----Original Message-----

From: Montgomery County Council

Sent: Monday, July 30, 2007 2:36 PM

To: 'nancy_navarro@mcpsmd.org'; Jerry Weast (Suzanne_Peang-Meth@mcpsmd.md.org)

Cc: Spatz, Marshall

Subject: FY09 budget priorities

TO: Nancy Navarro, President, Board of Education
Dr. Jerry Weast, Superintendent of Schools

Attached for your review is my recent letter to the community seeking the views of County stakeholders on what our priorities for the FY 2009 operating budget should be. As the letter notes, the Council plans to hold a public hearing on budget priorities on September 11. The Management and Fiscal Policy Committee will meet on September 24 to develop recommendations, which the Council will consider on September 25.

While it is still early in the FY 2009 operating budget process, the Council would welcome any preliminary ideas about upcoming budget priorities that you would like to convey, including your assessment of any important trends or new developments that underlie those priorities. In view of the schedule outlined above, we would appreciate receiving by September 4 any ideas you wish to transmit at this time. The formal FY 2009 budget transmittals will of course occur on the normal schedule.

Sincerely,

Marilyn Praisner
Council President



Montgomery County Council

Rockville, Maryland

July 27, 2007

Dear Neighbor:

The annual Montgomery County budget is of real importance to all our residents. The County Council will make final decisions on the budget for the next fiscal year, FY 2009, in May 2008. As we prepare for FY 2009, the Council welcomes the views of all stakeholders in our community about what the County's budget priorities should be.

On February 15, 2005 the Council unanimously adopted Resolution No. 15-904, *Establishing Annual Budget Priorities and Performance Measures*. The resolution states that "the Council intends to establish a stronger framework for its budget deliberations in close consultation with County agencies and the community. As a key element of this framework, the Council intends to set annual budget priorities. The Council will set these priorities by **October 1** each year for the following fiscal year."

On September 26, 2006 the Council unanimously adopted Resolution No. 15-1613, *FY08 Operating Budget Priorities and Performance Measures*. The priorities we identified then were fully reflected in the FY 2008 operating budget that we approved two months ago. In alphabetical order, those priorities were:

Affordable housing. We increased support for the Housing Initiative Fund and other efforts to address the County's serious affordable housing problem.

Education. We continued our strong commitment to class size reduction and other priorities at MCPS, and we provided greater support for Montgomery College.

Environment. We expanded support for parks maintenance and recycling.

Health and human services. We expanded support for health care for the uninsured and for safety net services for our most vulnerable residents.

Infrastructure maintenance. We made further progress in meeting the needs identified by the Council Task Force on Infrastructure Maintenance.

Public safety. We increased the number of police officers on the street, and we increased the number of firefighters to address issues of overtime and response times.

Tax relief and fairness. We provided a \$613 credit against property taxes for all owner-occupied homes, continued the expanded "circuitbreaker" relief for low and moderate income homeowners, and added a new property tax credit for seniors.

July 27, 2007
Page Two

Apart from these priorities in the FY 2008 operating budget, the Council approved a capital budget for FY 2008 that strengthens our construction programs for **transportation, MCPS, Montgomery College, public safety, and libraries.**

In advance of this year's **October 1** deadline, we plan to hold a public hearing on the evening of **September 11 at 7:30 p.m.** at the Council Office Building in Rockville. The Management and Fiscal Policy will meet on **September 24 at 9:30 a.m.** to develop recommendations, which the Council will consider on **September 25.**

Apart from budget priorities, the Council's resolution also requests County agencies – Montgomery County Public Schools, Montgomery College, the Park and Planning Commission, and WSSC, as well as County Government itself – to provide performance measures on their programs that enable the Council and the community to determine how effective they have been.

The views of all stakeholders in our community on County budget priorities and performance measures for FY 2009 are important to the Council, and we would welcome your responses to the following questions:

Do you believe that the Council's FY 2008 priorities listed above require additional support in FY 2009? If so, which ones and in what order? Are there specific elements of these priorities that you feel require special focus?

Are there other areas that in your view should have priority in FY 2009? If so, which ones and in what order?

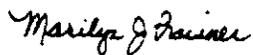
Are there areas that in your view should have lower priority for FY 2009? Do you believe that savings could be achieved? If so, where and how much?

Are there areas where in your view the County could provide services more efficiently? If so, which ones and how?

Do you have any further ideas about how the Council can most effectively undertake the priority-setting process for FY 2009?

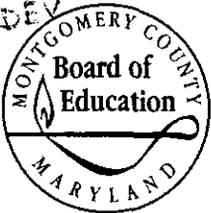
To ensure that your responses are part of the Council's priority-setting process in September, please transmit them by **September 4** to county.council@montgomerycountymd.gov. We appreciate your participation in this process.

Sincerely,



Marilyn Praisner
Council President

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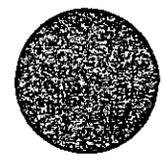


MONTGOMERY COUNTY BOARD OF EDUCATION

850 Hungerford Drive ♦ Rockville, Maryland 20850

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ECON DEV
EMC

September 5, 2007



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RECEIVED
MONTGOMERY COUNTY
COUNCIL

The Honorable Marilyn J. Praisner, President
Montgomery County Council
Stella B. Werner Council Office Building
100 Maryland Avenue
Rockville, Maryland 20850

Dear Mrs. Praisner:

In June, you requested input on priorities for the FY 2009 Operating Budget in preparation for the September 11, 2007, County Council's public hearing on budget priorities. The Management and Fiscal Policy Committee will meet on September 24, 2007, to develop recommendations, which will be considered by the County Council on September 25, 2007. The Board of Education appreciates the opportunity to share its thoughts on the budget priorities and process.

The Board applauds the County Council for maintaining a focus on priorities and also ensuring active community involvement in the governance of our county. This is consistent with our own efforts. We have long recognized that a vigorous strategic planning process is critical in addressing the profound changes that have occurred in Montgomery County Public Schools (MCPS) in the last decade. These changes continue in ways that have significant implications for how we deliver services not only in MCPS but in all of Montgomery County.

We believe, therefore, that our first priority as leaders of Montgomery County is to come together as a team and map out a vision for Montgomery County as a whole. Such an exercise would involve taking stock of the current state of our county, including changes that have taken place in the past decade, envisioning a desired future for the county, and setting our priorities based on the resources at our disposal. As a matter of top priority, the County Council should consider convening a meeting of key stakeholders across agencies and communities to begin this process of creating a shared vision for Montgomery County and a comprehensive countywide strategic plan.

The Board appreciates that the County Council has historically placed a very high priority on education. For the FY 2008 Operating Budget, for example, the County Council funded 99.7 percent of the Board of Education's budget request. We thank the County Council and the County Executive for collaborating with us during a challenging FY 2008 budget development and approval process. The resulting budget benefited

from this collaboration and unprecedented community involvement. You will recall that our parents, employees, and representatives of community organizations actively participated in the community meetings that we held in the fall of 2006. Many in the community also testified before the County Council in strong support of the Board's budget initiatives. This community support is a tribute to the positive results obtained by MCPS and a commitment to strengthen the quality of our public schools. This level of support makes it possible for the Board to develop and implement its multiyear plan for school improvement summarized in the MCPS strategic plan, *Our Call to Action: Pursuit of Excellence*. This year, the school system faces major challenges associated with maintaining our academic progress, addressing the needs of students receiving special services, especially those with disabilities and limited English proficiency, and recruiting and retaining a high quality workforce. The Board continues to involve the community in addressing these challenges. Although the MCPS strategic plan outlines the long-term goals, performance measures, strategies, and initiatives for the school system, the specific budget priorities for FY 2009 will result from this extensive public outreach effort.

The Board continues to expand upon its public outreach program in order to broaden public participation. On September 20 and October 11, 2007, the Board will meet with parents, staff, students, and other community members to obtain their input on important issues that affect MCPS. The information shared at these forums will be used to help update and revise our strategic plan and to assist us in setting priorities for the FY 2009 Operating Budget. Speakers will share their thoughts about aspects of MCPS that are working well and those areas that need improvement. The forums this year are scheduled to be held at Quince Orchard High School and Wheaton High School, respectively. As in the past, foreign language interpreters will be available in Spanish, Chinese, Korean, Vietnamese, and French. Sign language interpretation will be provided upon request. We are also soliciting input for the implementation of the strategic plan and the budget through the MCPS Web site and other media.

The FY 2009 Operating Budget will address many challenges for the school system and the county. The Board will continue to implement its multiyear strategic plan. The key cornerstones of a high achieving school system are built by a high quality work force of committed, caring individuals. There is considerable competition among school districts to attract, recruit, and retain teachers and supporting services staff, particularly in critical areas such as special education, science, and mathematics. We will need to continue to recruit and retain a high quality, diverse workforce for all schools, support units, and offices, providing employees with competitive salaries, wages, and benefits; expanding employee skills and expertise through professional growth and staff development; and implementing rigorous evaluation standards and expectations, including a nationally recognized model for peer assistance and review. The need for targeted professional development for our staff is crucial in providing the capacity to meet the ever changing demands created by our changing demographics. In addition, the requirements of No

Child Left Behind (NCLB) and increased accountability mandate a plan that responds adequately to these changes. If we expect our teachers to do more than teach to the test, we must ensure that they have the skills to support all students to reach their full potential.

Early childhood education remains a top priority of the Board. The enclosed Op-Ed piece in the *Washington Post* by Jeffrey M. Lacker, president of the Federal Reserve Board, evocatively captures the Board's vision of a comprehensive and effective early childhood education program (*Children's Education is a Smart Investment*, *The Washington Post*, August 27, 2007). He says:

"There are many explanations for the apparent high economic returns to early childhood education, but a key difference between early childhood investments and investments at primary and secondary education levels is the potential for compounding. That is, enhancing early childhood development appears to improve a child's ability to learn at later stages. This means the return on early education comes not just from the direct effects, say on the development of cognitive ability, but also from the fact that these early investments increase the productivity of later educational investments."

In a compelling affirmation of the value of our investment in early childhood education, Lacker goes on to observe that:

"This compounding effect means disparities in early childhood development have potential to exacerbate inequality within our society. People with limited means are more likely to have difficulty providing their children with high-quality early childhood environment, leaving those children less able to benefit from later investments in human capital. This possibility creates a legitimate public interest in helping people of modest means find and afford quality early childhood education. It holds the promise of expanding the development of human capital more broadly across our society and in so doing, widening our potential for skill-based economic growth."

Mr. Lacker gets it. It is cheaper to invest in our children now, than in the future. Along this line of thinking, this year, using federal funding, we expanded Head Start to a full-day program in ten Title I elementary schools. This expansion builds upon our highly successful emphasis on improvement initiatives in early childhood education and elementary schools which began seven years ago with smaller class sizes and extended instructional time in kindergarten classes most impacted by poverty.

Beginning with the FY 2008 Operating Budget, we have started to expand our focus to include secondary school initiatives. While overall enrollment has slowed down and will decline slightly, significant growth continues in the number of special education students and the number of students who need English for Speakers of Other Languages (ESOL) services. The Middle School Reform initiative is an outgrowth of such a review. The Board seeks to implement strategies and initiatives that effectively meet the diverse needs of middle school students, including special education and ESOL students. With middle school reform we hope to produce a rigorous and challenging middle school education program that improves teaching and learning, prepares students for rigorous high school standards, and promotes continuous improvement in all middle schools. As with our early childhood initiatives, there will be a specific focus on addressing the achievement gap of African American and Hispanic students, English language learners, students with disabilities, and students impacted by poverty. Also, as part of the middle school reform effort, we are launching a Parent Academy this fall to help parents become more involved in their children's education and development. In collaboration with local community-based organizations, the Parent Academy will offer free workshops to parents on a variety of topics in multiple languages. These workshops will be offered in a number of locations in the county.

The acquisition and use of innovative classroom technology will be a key component of the Board's strategies to enhance instruction in the classroom. We are all living witnesses to the profound impact of technology on our way of life and the way we conduct business in the new global age. Indeed technology offers the promise of leveling the playing field between the haves and the have-nots, especially in the classroom. Your support of our instructional technology initiatives has been crucial in closing the achievement gap in academic achievement among all our children. Now, more than ever, in the age of digital communities, we will need to invest in technologies and staff development that are dynamic and appropriate for a 21st century learning community. As a Council, you have supported the infusion of technology into the classroom in MCPS. We need to do more to ensure that our county remains competitive in the 21st century.

We have good reason to celebrate. State Adequate Yearly Progress (AYP) results for 2007 show improved middle school performance and continued strong performance at the elementary level. We have all worked hard to help our students exceed the state's testing standards as required under the federal NCLB. Ninety six percent of elementary schools and 71 percent of middle schools in MCPS made AYP on the 2007 Maryland School Assessment (MSA). School performance at the middle school level increased significantly, with 27 out of 38 middle schools meeting the testing targets this year compared to only 15 out of 38 middle schools last year. At the elementary level, 124 out of 129 elementary schools met the state performance goal. Ten schools that were on the state's improvement list last year met AYP this year and will be removed from the state's list if they meet their targets again in 2008. We are pleased to note that none of

the 23 elementary schools with the highest poverty levels (Title I) are on the state's school improvement list. More work needs to be done. Of the 16 schools that did not meet AYP, the main category where students did not make adequate progress was in special education. In addition, some schools missed the performance goals for students with limited English skills and students receiving Free and Reduced-price Meals System (FARMS) services.

Preliminary results from the cumulative administration of the Maryland High School Assessments (HSA) indicate that students within the current class of 2009 have passed the tests in exceptionally high numbers with system pass rates of 83.6 to 92.2 percent across the four exams in Algebra, Biology, English, and Government among students who have attempted these graduation requirements. A more detailed analysis is under way by MCPS of student data by race and ethnicity and other student groups; however, the preliminary results provide an important measure of the continued progress under way in MCPS through the work of principals, teachers, and counselors to prepare students for the assessments. We will need to continue to invest in additional academic support and intervention as students in this class approach graduation two years from now, in the spring of 2009.

In addition to these issues, MCPS faces other inflationary budget adjustments next year, including the rising costs of textbooks and instructional materials, tuition for special education students in non-public schools, food services, fuel for school buses, utilities, and technology. Instructional initiatives have an impact both on the operating budget and the capital budget. What will our classrooms look like ten years from now? What resources do we need to put in place now to ensure success for all our children? The answers to these questions impact both budgets and we are anxious to partner with you to address capital budget issues arising from the initiatives that we have outlined in the operating budget. In the wake of competing priorities and challenges in today's classroom, there is a lot of pressure for instructional leaders to review the ability of the traditional K-12 paradigm to deliver a rigorous instructional program to all our children. We seek to be your partners in providing our teachers the resources and instructional time that our children need for learning through innovative strategies like extended day and year, for example with High School Plus.

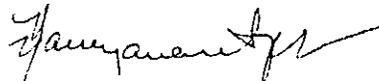
The Board intends to continue to identify productivity improvements that can save money without endangering academic programs. In addition to identifying productivity savings, the Board of Education will continue to increase efforts to maximize the growth of external revenue to help address our needs. We currently receive significant increases in state aid from the *Bridge to Excellence in Public Schools Act* (BTE) adopted in 2002. This six-year program will be completed in 2008. MCPS received approximately \$55 million in increased state aid in FY 2008. Although this increased state aid is helpful, the state has not fully implemented its commitments under the BTE. Since FY 2004, it has not funded the Geographic Cost of Education Index (GCEI). The

GCEI is a key component of the commitments made in the adoption of the original legislation. We will all need to work with our Montgomery County Delegation to advocate for and obtain what is owed to Montgomery County from the State.

We are fortunate to live in a community that strives to be responsive to the needs of its citizenry. But the challenges persist and increasingly our classrooms are filled with children who have fled the horrors of conflicts in their native countries, as well as children who struggle daily with social and emotional issues at home. The needs of these children have significant impact on our ability to provide a wholesome and rigorous academic program for all the children in the classroom. The Board recognizes the invaluable contributions of other county agencies to the welfare of our children. In that respect, we welcome a collaborative and integrated approach to meeting the needs of all of our youngsters—one that truly cuts across all agencies that touch a child. This year for instance, working with the County Council, we have partnered with the Montgomery County Department of Health and Human Services to enhance community-based prekindergarten programs by releasing funds for prekindergarten slots that will be served by community-based prekindergarten programs.

The profound changes in the demographics of our classrooms and our county, coupled with changes in technology and instructional approaches, require the Board to constantly review the school system's instructional programs to ensure that they address the needs of all our students. Thank you for soliciting our views on budget priorities. The members of the Board of Education will continue to work closely with you to preserve and enhance the quality of education for all the children of our community.

Sincerely,



Nancy Navarro
President

Enclosure

Copy to:
Members of the Board of Education
Dr. Weast and Executive Staff
Mr. Ikheloa

PH 9-11-07
Budget Priorities

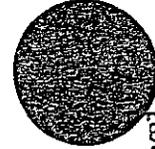
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Guthrie, Lynn

From: Praisner, Marilyn
Sent: Saturday, September 15, 2007 2:59 PM
To: Montgomery County Council
Subject: FW: Board of Ed Testimony on Budget Priorities

Marilyn Praisner
Councilmember - District 4

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RECEIVED
MONTGOMERY COUNTY
COUNCIL

-----Original Message-----

From: Cox, Sharon W. [mailto:Sharon.W.Cox@mcpsmd.org]
Sent: Tuesday, September 11, 2007 12:34 PM
To: Praisner, Marilyn
Cc: mmoore@gazette.net
Subject: Board of Ed Testimony on Budget Priorities

Dear Mrs. Praisner:

I am writing to address what I believe to be an omission in Mrs. Navarro's letter of testimony for the Council's public hearing on budget priorities.

While most of the content reflects the work we did on the MCPS budget and strategic plan, Mrs. Navarro indicates that a priority of the Board is to have the council convene stakeholders to create a comprehensive county-wide strategic plan. Below is the specific language in her testimony.

"We believe, therefore, that our first priority as leaders of Montgomery County is to come together as a team and map out a vision for Montgomery County as a whole. Such an exercise would involve taking stock of the current state of our county, including changes that have taken place in the past decade, envisioning a desired future for the county, and setting our priorities based on the resources at our disposal. As a matter of top priority, the County Council should consider convening a meeting of key stakeholders across agencies and communities to begin this process of creating a shared vision for Montgomery County and a comprehensive countywide strategic plan."

The omission to which I refer is that this recommendation wasn't actually adopted as a priority of the Board during our deliberations on the budget or the plan, nor, to my knowledge, discussed or adopted via other positions or actions.

Certainly there is no question that we all have an interest in aligning our efforts and resources to best serve our various constituents, especially children and families.

However, the strategy Mrs. Navarro represents as the Board's priority may not be the best way to achieve that alignment for the following reasons:

- The request to have the council convene this group raises the question of our various roles and responsibilities as elected officials, including that of the County Executive in directing county agencies
- It does not acknowledge the work already done in our primary area of interest, The Children's Agenda, jointly adopted by the Council and the Board to drive the coordination of efforts toward shared goals for children, youth and families. In fact, we may be able to address our mutual interests through an update of the Children's Agenda.
- A similar endeavor, "Future Search," initiated by the Board in the 90's, involved many resources and hours of staff and volunteer time. As a community participant, the investment seemed to me to be out of proportion to the identifiable long term benefit to citizens and taxpayers
- The Board, elected to govern MCPS, has a much narrower responsibility than the council and the executive, who must balance the needs of all our residents. While both the

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executive and council consistently demonstrate that education is of the highest priority in the county, a push by the Board of Education for leadership in the development of a strategic plan encompassing all aspects of government may raise concerns among other constituent groups that their interests, in such issues as transportation, elder care or housing, will be marginalized.

As noted earlier, I did not have the opportunity to bring these concerns to the Board before the testimony was submitted. However, as we work together on ways to improve our joint efforts on behalf of our constituents, I know that you, the council and the executive will continue to encourage and value full discussion, accessible to all who have an interest in open government.

Sincerely,
Sharon Cox, Member At-Large
Montgomery County Board of Education

