

**Montgomery County Council Office of Legislative Oversight Report:  
*Resources and Staffing Among MCPS Schools***

The Montgomery County Office of Legislative Oversight (OLO) report, *Resources and Staffing Among MCPS Schools*, was intended to improve the Montgomery County Council's understanding and oversight of how Montgomery County Public Schools (MCPS) funds its schools to help close the achievement gap. As the report states, the County Council asked OLO "to investigate whether MCPS allocates more staffing and resources to its highest poverty schools aimed at closing the achievement gap." The answer to that question is unequivocally and irrefutably yes. Higher poverty schools receive up to \$4,000 more per pupil than schools with lower rates of poverty.

In the process of investigating MCPS resource allocation, however, OLO came to the misguided conclusion that MCPS has "allocated a third of its state revenue for compensatory education programs to non-compensatory education programs," leaving the impression that MCPS is somehow short-changing its most vulnerable youth by \$47 million. This simply is not true. In the report, OLO mischaracterizes Compensatory Education under the *Bridge to Excellence in Public Schools Act of 2002* and erroneously concludes that Maryland state compensatory aid allocated to school districts under Bridge to Excellence (BTE) should be allocated entirely and directly to the highest poverty schools in the district, as opposed to the way it was intended to be used under BTE—to support a broad range of strategies designed to improve student achievement overall and close the achievement gap between student subgroups. Moreover, even if OLO were correct in its treatment of compensatory aid, it did not account for all of the resources MCPS allocates to support low income students when determining how resources are used to support improving student achievement and closing the achievement gap in Montgomery County, leaving a false impression that state resources are not being used to their fullest.

Compensatory education aid under BTE is based on the number of low-income students in each school district. It was intended to recognize the additional cost of educating students coming from lower income backgrounds. This component of state aid also was intended to address the goal of improving equitable funding among local school districts across the state, as well as simplifying what had become an overly burdensome and complex state finance structure that distributed aid to districts through dozens of prescriptive categorical programs targeting special purposes and populations. In 2003, for example, the final year before BTE funding, MCPS received about \$4 million in restricted state compensatory aid, comprising several categorical grants that districts were required to apply for based on the number of students receiving Free and Reduced-price Meals (FARMS) in a district. But in 2004, the first year under BTE, MCPS received \$20 million in unrestricted state compensatory aid, and in 2015, MCPS received \$128.6 million in unrestricted K–12 compensatory aid.

It is important to note that the new education finance structure created under BTE intends for districts to employ greater flexibility in how they use state aid, including not only those additional funds allocated to districts based on students receiving FARMS but also based on the number of students who receive special education services and who have limited English proficiency. In return, school systems must submit to the state a five year comprehensive master plan, updated

annually, that documents district goals and strategies for improving achievement among all students using the state aid received. Absent the cumbersome categorical programming that defined education financing prior to BTE, revenues from state education aid, including compensatory revenue for students receiving FARMS as well as revenue for ESOL and special education, work together as one to build a districtwide framework for improving student achievement and closing the achievement gap among student subgroups. And that is exactly how all 24 districts in the state of Maryland use state aid, including compensatory funding for FARMS students. Compensatory funding is not designed to be used in the limited categorical approaches framed by OLO in its report that would direct dollars to a certain number of local schools or programs, and it is telling that not a single school district in Maryland treats compensatory revenue in such a restricted and narrow way as OLO suggests it should be used.

Like the other 23 school districts in Maryland, MCPS uses state aid to invest in research-based practices to close the achievement gap for low income students. One core strategy to close the achievement gap is indeed differentiated funding and support to schools, which is why OLO rightly points out that MCPS provides significantly more funding to higher poverty schools than lower poverty schools. However, state aid also is used by districts, including MCPS, to fund a number of other approaches to closing the achievement gap that OLO failed to acknowledge in its report. These critical strategies include but are not limited to:

- Reading and math intervention programs across the entire district
- Teacher professional development and support
- Summer school
- Community partnerships and engagement
- Curriculum design and assessment
- Instructional technology and innovative teaching practices
- Cultural proficiency and equity training

One additional aspect of the OLO report that is important to highlight relates to the notion of teacher equity—that is, ensuring that every student, regardless of socioeconomic status, has an effective teacher. OLO sought to examine teacher compensation based on the experience level of teachers in high- and low-poverty schools, which does not have a significant impact in terms of differentiated resource allocation. However, this line of analysis does surface the important issue of teacher equity and whether the quality and effectiveness of teachers is the same, or equitable, across higher-poverty and lower-poverty schools. While years of teaching experience alone is not an accurate measure of teacher effectiveness, examining the broad range of characteristics of teachers working in higher- and lower-poverty schools warrants further analysis, and indeed this is something MCPS is focused on in terms of human capital management this school year.