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MSDE Headquarters

Maryland State Department of Education

Response to the Analyst's Review and Recommendations

House Education & Economic Development Subcommittee –
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Senate Education, Business & Administration Subcommittee –
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Lillian M. Lowery, Ed.D.
State Superintendent of Schools

Maryland Public Schools: *#1 in the Nation Five Years in a Row*

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.

Proportion of Students Demonstrating Reading and Math Gains Increases in the Juvenile Services Education Program (JSE)

The State Superintendent should comment on the measures taken to increase the GED pass rate within the JSE program in 2013 and planned in 2014.

JSE's GED instruction is provided selectively to students, who based on age and high school status, are deemed unlikely to return to a public school to complete a high school diploma. Given the limited time that these students are enrolled in a JSE school, students need to have achieved 9th grade reading and mathematics knowledge and skills in order to complete the steps to prepare, apply, and sit for the GED examination while detained or committed to a treatment program.

During FY 2012, the GED instructional program was affected negatively by staffing issues, interruptions to the instructional program at the Carter Center as it was transitioned to a girls' treatment facility, and delays in getting timely feedback on GED results. All of these issues have been addressed.

Based on an analysis of the issues contributing to the FY 2012 pass rates, the JSE program has prioritized GED instruction in the daily school schedule, adjusted teaching assignments, offered staff training, and purchased additional GED instructional materials and resources. The program is monitoring results to ensure that mid-course corrections can be made more readily.

Trends in Online Services at Maryland Public Libraries Decline

While trends in online services show a decline, public libraries are increasingly developing and improving the self-service components of their websites. Local libraries are using limited resources to support the growing e-book trends.

Public libraries have participated in a statewide e-book consortium since 2003. The Division of Library Development and Services has used federal grant funds to support this partnership through development of a statewide collection (including both e-book and eReaders), staff training, programs such as an e-book conference and the development of a statewide E-books Task Force.

Employment Success Rates Among Rehabilitation Clients Fluctuates

The employment success rate dropped in FY 2007 and FY 2011 as a result of efforts to manage the total open caseload and the waiting list of clients seeking DORS services.

For budgetary reasons, in late FY 2007, DORS closed services to all categories of individuals with disabilities. Due to the limitation of available services, a smaller percentage of the cases closed that year had successful employment outcomes.

In an effort to keep Category I (persons with most significant disabilities) open in FY 2011, DORS conducted a review of the entire open caseload, targeting cases that had no activity with the client for an extended period of time. In those cases where the client did not want any further services or did not wish to seek employment, DORS closed those cases. This enabled DORS to keep Category I open and to begin providing services to individuals who had been on the waiting list for over a year.

Maryland Longitudinal Data Systems Center (MLDS) Launched

The Department of Legislative Services (DLS) recommends reducing funds for cell phone expenditures by $4,320 to support one cell phone plan costing $90 per month. The State Superintendent should comment on work that the MLDS Center will undertake in fiscal 2014. Given the number of new positions and funding being provided to the new MLDS Center, DLS recommends that Managing for Results metrics and goals should be developed for the MLDS Center.

MSDE concurs with the DLS recommendation to reduce funds for cell phone expenditures by $4,320 to support one cell phone plan costing $90 per month. Additionally, the MLDS Governing Board will develop Managing for Results (MFR) metrics and goals for the MLDS Center as part of the initial operations in fiscal 2014.

In the first year of operation (FY 2014), the MLDS Governing Board will work with MSDE, MHEC, DLLR and USM to hire an Executive Director and fully staff the MLDS Center. Additionally, each partner-agency will identify staff to serve as Associate Directors and IT Support as outlined in the MLDS Interagency Proposal. The MLDS Center Director and MLDS Governing Board will also establish a Research Advisory Committee (RAC) to ensure on-going collaboration and support for the development of the P-20W data warehouse, public portal, and research agenda.

The MLDS Center has as its mission, a collaborative and integrated approach to data collection, reporting and research in support of the Pre-Kindergarten through Grade 20 (advanced degree) and Workforce System (P-20W) Education and Workforce goals of Maryland. The MLDS Center staff are organized around three areas of work:

1. *IT and Data Management* to support the ongoing development and security of the Center's data warehouse and dashboard analytics. This group is responsible for technical development including expanded data collection and linking of longitudinal data sets and inter-agency data exchange. Privacy and security audits will be conducted on a regular basis to ensure compliance standards are met in accordance with the approved security plan.
2. *Portal and Data Services* to expand data reporting and public access to the Center's analysis and reports. This group includes business analysts to work with agency partners and P-20W stakeholders to support training and use of the MLDS Center reports and dashboards. This group maintains the public-facing portal and provides quick-response reports identified by the MLDS Governing Board.
3. *Research and Policy Services* to conduct in-depth analysis of the Center's data to inform legislators, agencies and other practitioners. The research team is lead by the University of Maryland – Baltimore (UMB) and the University of Maryland-College Park.

The current MLDS data warehouse and dashboard analytics were developed and maintained by MSDE under Race to the Top (RTTT) funding. This system will transfer to the MLDS Center in 2014. While the MLDS is fully operational, the data currently loaded into the system represents approximately 20% of the approved data files. Dashboards designed to address four (4) of the fourteen (14) policy questions outlined by the MLDS Governing Board are currently available.

The State Superintendent should discuss how data will be shared with parents, and how teachers and principals will be trained to use the new data available to them through MLDS and other RTTT initiatives to inform classroom instruction. The State Superintendent should also discuss the type of personal student and teacher data that will be stored in MLDS, and how that data will be protected.

The primary purpose of the MLDS Center is to address the critical policy questions that will inform education stakeholders at all levels, (Pre-K through Adult) in order to improve the quality of education, workforce and employment in the state.

A separate K-12 State Longitudinal Data System (SLDS) is being enhanced as part of the RTTT initiative to report on student progress and transitions *within* the K-12 system. The K-12 SLDS includes a K-12 data warehouse, analytical tools, and access to school and district-level reports. The K-12 SLDS will include more than 36 K-12 Dashboards for use by school system leadership, principals, and teachers to inform curriculum, instruction and assessment efforts.

Access to the K-12 SLDS and MLDS analytics and dashboards is through secure data portals with role-based security log-in access. Security standards and granting access to the K-12 SLDS is managed by MSDE. In both systems, individual data and other identifying information will be shielded through de-identification and only aggregate data will be made available to the public in a way that guarantees that an individual cannot be identified. Maryland follows federal laws, such as the Family Educational Rights and Privacy Act (FERPA) to ensure privacy for students and their families.

Both systems, the K-12 SLDS and the MLDS, will include online tutorials and other multimedia tools to assist in the use of the dashboards and reports.

Anticipating Delivery Appropriation for Assessments

The State Superintendent should comment on why the original appropriation for assessments has significantly understated the actual costs in recent years and should provide an estimate of the deficiency that will be required in fiscal 2014.

The State assessment contract work typically spans 3 calendar years to fully deliver a test in one school year. This results in an overlap of 2-3 test editions being worked on within one fiscal year. In past practice, when the work was beginning on a new test edition, funding was encumbered for the entire edition. This led encumbrances from prior fiscal years to be carried forward into a subsequent fiscal year until the work was completed.

During the FY 2007 legislative session the decision was made to fund the State assessments on more of a cash only basis. This resulted in a decrease of original appropriations and annual requests through the deficiency funding process to provide the actual dollars needed for the

respective fiscal year assessment contract expenditures. This practice has continued through the current budget cycle.

The state assessment contracts costs are projected in the spring of each calendar year for the upcoming and subsequent fiscal years. However, changes can occur to the testing program after those initial projections that result in changes to the actual contract costs. Changes in assessment contract costs will continue to be fluid as the state transitions to the PARCC assessments over the next several years. This transition is addressed in further detail later in this response.

Major Information Technology Projects (MITP)

The State Superintendent should comment on whether planned enhancements to the eCCATS II project are on track to be completed within the RTTT – Early Learning Challenge grant period, which ends in calendar 2015.

The planned enhancements are on track to be completed within the RTTT-Early Learning Challenge grant period ending December 31, 2015. The enhancements made possible through the challenge grant will build on the foundation of system improvements already in progress and as part of a long-standing MITP to enhance the Child Care Administration Tracking System (CCATS) data management system for child care.

Home and Community Based Waivers for Children with Autism

The State Superintendent should comment on whether the additional $1.2 million appropriated for the Home and Community Based Waivers for Children with Autism in fiscal 2014 will support 100 new slots or will it provide payment for prior year unprovided for payables.

Because of improvements in the billing cycle and timing of payments, MSDE does not anticipate unprovided for payables in this fiscal year. Therefore, the proposed $1.2 million dollars will support Autism Waiver services for an additional 100 children and will not provide payment for the prior years' expenses.

Contingent Actions - Juvenile Services Education (JSE)

The State Superintendent should comment on whether MSDE expects to realize $1.5 million in revenues to offset the contingent reduction, as MSDE reports that the average length of stay for youth in detention is 16 days.

From available data, JSE estimates approximately 2,500 detained youth in FY 2014 will be included on the Home Counties' enrollment counts. While full recovery of funds for these students would result in approximately $1.5 million, given fluctuations in student enrollment as well as MSDE's limited experience over FY 2012 with data matches for youth in DJS committed facilities, it is difficult to accurately predict whether that level of revenue will be realized to offset the contingent reduction.

Federal Sequestration

The State Superintendent should comment on how a federal sequestration would impact funding for education programs in the State as well as agency operations, and on how MSDE is preparing for the possibility of a federal sequestration.

MSDE is operating under the expectation that any resolution to this situation will result in some type of federal budget cut, although uncertainty remains as to the extent and timing of the cuts. In February, July and December 2012, letters were sent from the State Superintendent to local school system superintendents to make them aware of the impending federal cuts and advising them to plan for the cuts in the 2013-14 school year. The same information was shared with local school system business officials.

All MSDE Assistant Superintendents who oversee federal grants have prepared contingency plans for the 2013-14 school year assuming an 8.2% across-the-board cut. For some of the federal grants there is sufficient carryover from prior years to get through the 2013-14 year with minimal impact. For other federal programs, the impact will be more immediate. At MSDE, administrative procedures have been put in place requiring additional justifications and approvals before federally-funded vacant positions can be filled. The consistent message, both within MSDE and to local school systems, has been to plan for the worst and hope for the best.

Based upon a report prepared by a United States Senate Appropriations Subcommittee in July 2012, assuming a 7.8% across-the-board cut, the impact of sequestration on education in Maryland would be almost $47 million. Proportionately reducing the cut to 5.9%, results in approximately a $35 million reduction.

While federal funds represent approximately 13 percent of the FY 2014 MSDE budget, the percentage differs significantly between Headquarters and Aid:
Headquarters (excluding DDS)………..60%
Aid (excluding Food Services)…………8%

State education executives were advised in an e-mail dated July 20, 2012, from Anthony W. Miller, Deputy Secretary of the U.S. Department of Education, the implementation of the reductions to federal education grants (with the exception of Impact Aid) will be deferred until the grants issued July, 2013. Although that results in limited potential impact to the current fiscal year it would make the impact in fiscal year 2014 even greater. The memo indicated that Impact Aid grants would be affected immediately.

Therefore, if sequestration occurs in the current federal fiscal year, the impact to grants beginning in July, 2013 for the four advance-funded programs (Title I, Title IIA, IDEA and Perkins) will be more challenging, because it will also include the impact on grants funding October 2012- June, 2013.

Race to the Top Grant

The State Superintendent should discuss steps the agency is taking to improve RTTT procurement activities so that project delays are resolved.

The scale and complexity of rolling out significant enhancements within a short timeline has been a challenge.

MSDE has taken the following steps to improve procurement activities ensuring project delays are resolved:

- Hired RTTT-dedicated procurement specialist.
- Improved collaboration with project managers on procurement related tasks.
- Training for all project managers on grants management and procurement process.
- MSDE has partnered closely with the Department of Instructional Technology (DoIT) and Department of Budget and Management to elevate and accelerate the review of critical solicitations.
- Utilizing existing Consulting and Technical Services (CATS) statewide contract entered into by Department of Information Technology (DOIT) for use by state agencies to address most of RTTT IT resource needs.
- Utilizing existing competitively bid contracts from other governmental agencies, through the intergovernmental cooperative purchasing agreement, and from public institutions of higher education to meet some of our IT resource needs.
- MSDE is in the process of competitively awarding a contract to one or multiple vendors from the CATS contract who will supply our various IT resource needs upon request.

The State Superintendent should comment on RTTT progress to date, including whether all projects are on track to be completed by the end of the grant period, and on whether any additional resources will be required beyond the grant to complete or sustain RTTT project activities. Finally, the State Superintendent should discuss the consequences of failure to complete projects within the grant period, or to the satisfaction of USDE.

All projects are projected to be completed by the end of the grant period. MSDE continues to work with project managers and local school systems to ensure activities are completed in accordance with the respective scopes of work. MSDE continues to evaluate project-specific activities to assess sustainability beyond the grant.

If MSDE fails to complete projects to the satisfaction of USDE, there are a number of possible consequences, including the withholding of funds.

The State Superintendent should comment on how critical the Student Growth and Education Evaluation project is to the Teacher and Principal Evaluation project, and on when the Student Growth and Education Evaluation project is expected to be completed.

In the initial Race to the Top application, this project was envisioned as an IT system that would provide calculations of teacher and principal evaluation data for local school systems. In working with the systems, it became clear that a State level calculation engine is not necessary.

Because of the importance to all parties (teachers, principals, local systems and the State) this project was amended to provide analysis and support to local school systems in establishing teacher and principal evaluations, in accordance with the 2010 Education Reform Act, RTTT, and Maryland's approved ESEA flexibility.

This amended use of the RTTT funds provides the following benefits:
- Allows implementation across the State through localized processes;
- Allows local school systems to have local quality controls in place to assure the fidelity and validity of the professional practice, student learning objective, and local measure components of the evaluation models;
- Allows the State to collect and disseminate data necessary for using Maryland Student Assessments and the School Progress Index in the calculation of evaluation ratings along with a capacity to receive, maintain, and recover teacher and principal effectiveness ratings; and
- Allows MSDE to conduct a full, third-party analysis of the teacher and principal evaluation process.

The State Superintendent should discuss the anticipated cost of adding one year of operation and maintenance for the RTTT projects scheduled for fiscal 2013 completion, and whether those costs will be fully absorbed by the RTTT grant.

Over 38% of the RTTT grant is associated with IT systems. Therefore, as with any IT system, it is likely that some percentage of the costs will be ongoing for operation and maintenance. MSDE is analyzing what resources can be targeted for this purpose and any potential funding gap.

The State Superintendent should comment on whether all RTTT-related major IT projects will be completed within the grant period, and on what, if any, impact the delay of major IT projects has had on other RTTT projects.

All RTTT-related major IT projects are projected to be completed within the grant period. Although many of these projects are interrelated, they are independent in their implementation. Even though MSDE has experienced difficulty in securing the required resources, the Agency has mitigated these issues so that the completion of the projects will not be affected.

In some cases timelines have had to change by a few months. In those cases where there have been delays, the impact on other projects has been minimal. The RTTT team works very closely to ensure that these projects are completed within a timeframe that results in no adverse impact on other projects.

Budget Implications of Partnership for Assessment of Readiness for College and Careers Assessments

The State Superintendent should comment on the anticipated cost of implementing PARCC assessments relative to the HSAs, and on how the HSA exams will be phased out. The State Superintendent should also discuss whether Maryland is likely to partner with other states to procure a test vendor to reduce costs. The State Superintendent should also comment on MSDE's communication plan to make parents and students aware of the

differences between the existing State assessments and PARCC and the likelihood of declining test scores.

PARCC assessments will be fully implemented in the 2014-2015 school year with standards for the assessments set in the summer 2015. MSDE has implemented a PARCC Transition Committee that is addressing the implementation of PARCC and the phasing out of MSA and HSAs. It is anticipated that the last administration of the MSAs (grades 3-8) will be in the 2013-2014 school year. The PARCC assessments for grades 3-8 will take the place of the MSA grades 3-8 in 2014-2015.

Since HSAs are a graduation requirement for students (Government HSA will become a graduation requirement for students entering the 9th grade in the 2013-2014 school year), it is anticipated that the Algebra/Data Analysis and English 10 HSAs will need to be phased out. All recommendations for the phasing out of HSAs will be a decision of the State Board.

MSDE has prepared a timeline with students entering the 9th grade in the 2014-2015 school year as being the last class which would be required to pass HSAs in English 10 and Algebra/Data Analysis for graduation (Biology and Government would continue to be graduation requirements). Therefore, there would continue to be costs for the administration of HSAs when PARCC is administered starting in the 2014-2015 school year and beyond until all students who entered 9th grade in 2014-2015 have graduated. Costs would also continue for the administration of the Biology and Government HSAs.

As part of the charge of the MSDE PARCC Transition Committee, MSDE will fully prepare a public communication plan to describe the implementation of PARCC, the phasing out of HSAs, the anticipated score results of PARCC and implications, and the college and career ready scores.

PARCC will procure the test vendor for all PARCC states who will be responsible for the development, administration, scoring, and reporting of the assessments.

Current tentative projections for PARCC for the 2014-2015 school year are $15 per content per test taker. These projections are based on all assessments being administered on-line. There would be additional charges for providing the paper and pencil assessment.

The State Superintendent should comment on how MSDE will assess LEA technological preparedness to implement PARCC assessments and on the resources available to Maryland schools and LEAs that may not have the requisite infrastructure to implement PARCC assessments. Finally, the State Superintendent should comment on whether MSDE will consider the LEAs existing technology capabilities when selecting a test vendor.

MSDE is participating in the administration of PARCC's web-based Technology Readiness Tool (TRT) which supports state, district, and school planning during the transition to next-generation assessments. The TRT assesses current capacity in four areas: devices, device-to-tester ratio, network infrastructure, and staff and personnel. It then compares that information to the technology that will be needed to administer the new online assessments to all students. Data collections will occur twice each year, through 2014. The first data collection was held from March to June, 2012. The goal of the first data collection was to collect baseline data, such as school name and number and type of devices. The window for the second data collection opened in the fall of 2012 and has not been closed due to PARCC's desire to give states more time to

complete the data collection. The second data collection asks locals to supply student enrollment counts. The third through sixth data collections have not been finalized by PARCC as of this date, but they will likely include data elements such as length of tests, length of testing windows, and file size of assessments.

Maryland continues to work with each of the local school systems to assess its technology needs. As of this time, because much of the technological requirements are still unknown, it is quite difficult to identify how much assistance LEAs will need in acquiring the requisite infrastructure. Maryland will continue to participate in PARCC's web-based TRT and provide LEAs with information about the technological requirements.

LEAs are working on the following elements:

- Determine the number of technology devices in each school that are located in an appropriate test setting and meet recommended requirements;
- Determine wifi capacity and density in each school;
- Use the number of technology devices and the test time required per student multiplied by the total number of students in each school to estimate a realistic test window;
- Identify possible impact on technology in order to accommodate any overlap in the administration of the MSA, Alt MSA, HSA, Early Childhood, PARCC, and NCSC assessments; and
- Identify possible impact on existing courses that require access to technology.

MSDE will continue to support the LEAs with the following actions:

- Continue monthly communication with district CIOs - meetings, email updates, phone calls;
- Provide updates during monthly Assistant Superintendent meetings; and
- Determine training needs and identify supporting resources for stakeholders (Every month a WebEx session is held for the assessment user group that includes CIOs).

PARCC has awarded a contract to Pearson to provide the online delivery platform item tryout and field testing in 2013 and 2014. Pearson currently delivers all State assessments via their online delivery platform, which should benefit LEAs since they are familiar with the model. PARCC is planning to develop its own technology system that states will be able to utilize with the implementation of the operational assessment system. It is anticipated that this will decrease costs in the long term for individual states.

DLS recommends that the committees add language restricting $50,000 made for the purpose of incentive payments for the State Superintendent only be expended for that purpose, and that funds be restricted pending a report to the budget committees identifying baseline data for the State Superintendent's performance goals.

MSDE concurs with the recommended budgetary language. During the past several years the State Board has been reviewing the State Superintendent's contract looking at ways to quantify the performance and evaluation of the State Superintendent. In an effort to be more comparable to LEAs in attracting a State Superintendent who may have been a local superintendent, the State Board tied performance to contract incentives similar to the LEA contracts.

MSDE Plans Reorganization

DLS recommends that the committees adopt narrative requesting a report on the department's restructuring efforts, and on how reorganization will be achieved within existing resources.

MSDE concurs with the recommendation. MSDE's re-organization will take full effect on July 1, 2013.

Recommendations

1. Budget language regarding restrictions to length of service, financial disclosure and reporting of loaned educators.

   MSDE concurs.

2. Budget language restricting use of fund budgeted for Superintendent performance bonuses to that purpose only.

   MSDE concurs.

3. Budget language restricting use of the funds budgeted for Superintendent performance bonuses subject to a report on baseline data.

   MSDE concurs.

4. Report on Agency Restructuring

   MSDE concurs.

5. Contingent Reduction

   MSDE cautiously concurs.

6. Reduce funds for Maryland Longitudinal $ 4,320   GF
   Data Systems Center cell phone expenditures to
   allow for one phone costing $90 a month.

   MSDE concurs.

The Maryland State Department of Education again thanks you for your continued investment in the future of our State.