

Superintendent's Proposed FY 2020 Budget

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This evening I am presenting the Fiscal Year 2020 Proposed Operating Budget to the Board of Education and the community.

This budget proposal, as you will see, describes the funding that is required for our system to provide the student-centered practices, inclusive relationships and responsive and efficient operations that form the core of our *Strategic Call to Action*.

I want to recognize a few of the people who have worked very hard on this process:

- Board of Education members for their support and leadership.
- The leaders and staff in all divisions, who have diligently worked to prepare budget projections that align with our strategic priorities and are fiscally responsible.
- Staff in our Budget office, who have been working around the clock to prepare the budget, under the leadership of Rafiu Ighile, our Chief Business and Technology Officer.
- Our county elected representatives, for their continuous commitment to supporting students and schools.
- The many community stakeholders who serve an important role throughout this process, providing input on priorities and feedback on the budget proposals.

I want to extend a special thanks to the members of each of my Superintendent's Advisory groups, and the many community, staff and students who have been reaching out to share their ideas and feedback. These stakeholder voices greatly inform our system priorities, and are reflected throughout our budget.

The budget proposal I present to you tonight fulfills two of my most fundamental obligations, under state law, in my role as superintendent. The Maryland Code of Regulations states: "The county superintendent shall (1) Take the initiative in the preparation and presentation of the annual school budget; and (2) Seek in every way to secure adequate funds from local authorities for the support and development of the public schools in the county."

This proposal is my budget, and one that I proudly attribute my name to. The accountability for following through on my commitments as your superintendent--which are mandated by state statute, embodied in our Strategic Call to Action, and prioritized in this budget--begins and ends with me. I am dedicated to collaboration with our Board of Education, county and state leaders, and all stakeholders to advance our mutual goals for our schools, students, and community.

From Chaos, through Re-Stabilization, to Addressing Needs

In May 2017, I took the helm of a school system that was in chaos. I arrived at the very end of the FY18 budget process, just a few days before the County Council meeting to approve the budget. We had just enough time to make minimal changes to restore kindergarten and media

paraeducators, ensure staff salary increases, fully fund the MESA and BSAP programs, and add the new diversity director position.

Over the past 19 months we have worked hard, together, to re-stabilize our system. I am proud to say that we have come a long way, and we can point with pride at progress that spans across academics, student well-being, school capacity, operations, finances, community engagement, and transparency.

We re-established strong and productive relationships with our county and state leaders; relationships that I am committed to seamlessly sustaining with our new elected representatives.

We rebuilt trust among our parents, staff and community members; demonstrating responsiveness to their needs and priorities, and giving all stakeholders a more meaningful role in the decisions that affect our children and system.

We successfully tackled tough issues such as redistricting and overcrowding, added school capacity, and restructured and right-sized our organization, while we've expanded learning opportunities for our students.

We uncovered our most significant fiscal challenge - a burgeoning \$50 million deficit in our employee Health Fund - and set our system on a fiscally sustainable course.

We identified a serious shortage in student supports, and have addressed the well-being and mental health challenges of our students by adding new nurses, social workers and other critical staff, as part of a long-term goal of bringing levels of these critical supports in line with needs.

We have sincerely committed to ensuring equity and inclusion throughout our decisions, practices and culture, and accelerated the use of restorative practices and leadership development to promote equity.

We have carefully audited operations and processes, and have dug deeply to gain a more complete picture of the true scope of our structural challenges and needs.

Board members, as I present to you my first budget as your permanent superintendent, I want to underscore our progression: from a state of *chaos*, through *re-stabilization*, to the point where we can now articulate our true *needs* in a way that we have not done before.

We are *not* a school system in crisis, but a *stabilized* and *strong* school system, that is forward-leaning with an eye to the future, to ensure that every child receives a high quality education, through a budget that defines the needs to do so through a fully articulated strategic plan.

Health Fund Deficit Reduction

A factor that dominates our budget planning is the need to address the deficit in our employee Health Fund. The deficit accumulated over several years to the point where, last year, it was projected to reach over \$50 million. As I mentioned a year ago in my FY19 budget presentation to the Board, if I were to look at budget planning simply from my perspective as a fiscal manager, I would direct all of our resources toward eliminating the deficit. However, my dual perspective as both fiscal manager and as guardian of student well-being and achievement, requires that we take a more balanced, incremental approach.

Last year we returned the system to a path of fiscal solvency, fully funding the FY19 health fund for the first time in several years, and we embarked on an ongoing effort to contain expenses and improve efficiencies. Earlier this year, I was pleased to report that, through these measures, we had already trimmed the outstanding \$50 million deficit by \$13 million by the close of FY18 to \$37 million.

The proposed budget demonstrates our continued commitment to responsible management and budgeting to reduce the Health Fund deficit. This budget request includes an additional \$10 million appropriation from the HCPSS general fund balance to further reduce the deficit, as a result of the surplus identified in the FY 2018 audit presented to the Board. As a result, our outstanding deficit of \$27.0 million is included in the proposed budget as a one-time appropriation request.

Student Achievement

Our students continue to achieve and graduate at levels that rise above their peers across Maryland and the nation. Recently, the Maryland State Department of Education released its FY18 School Report Card for all public schools in Maryland, as part of the federal requirements under the Every Student Succeeds Act, or ESSA. The school report card provides a star rating based on indicators that include academic achievement, absenteeism, curriculum access and other measures.

We celebrate the fact that 91 percent of Howard County schools received at least 4 out of 5 stars. But more important than the number of stars is what the report can tell us about where the school needs to grow. Each school has gaps and disproportionalities that we need to address.

Likewise, our graduation rate is the highest among Maryland's large systems, and we are proud of our students' achievements. But we need to focus on those who are falling behind. Approximately 400 students did not graduate last year, and we have 600 homeless students. This is where we need to target our work.

We must break down the barriers that stand in the way of achievement, by eliminating disproportionality in how we allocate services, by removing the stigma of accepting Free and

Reduced Meals benefits, and by ensuring that the diversity of our staff is in line with our students. By targeting our efforts on meeting the needs of the underserved, we will find that achievement levels will take care of themselves.

Budget Priorities

I can now state with conviction that the Howard County Public School System has the very real potential to become the national model for how public education can, and should, work. My FY 2020 budget proposal defines, realistically, what will be needed for our system to reach its potential.

This proposal is our roadmap that links the objectives and strategies that we've carefully laid out in our *Strategic Call to Action: Living and Learning with Equity*, into the actions and implementation that will bring our strategic vision to life in our schools and for our students. It includes the funding that is genuinely required to educate a rapidly-growing student population, through an excellent instructional program to prepare students for work in the 21st century.

It includes the funds that are truly required to give students who struggle academically, emotionally, or economically the supports to help them thrive.

It provides funding to support our highly committed and skilled staff, whom we entrust with the profound responsibility for our students' education and care.

It identifies the funding required to wipe out our health fund deficit once and for all, and establish our system on sustainable financial footing for the long term.

This budget proposal represents a significant financial commitment. But the stark reality is, we have a growing gap between maintenance of effort funding, and the level of funding that would be realistic to provide the instructional quality and supports that our children need and our community expects. Maintenance of effort funding is based on enrollment in the prior year, while we need to prepare for the reality of the children who will actually be in our classrooms, ready to learn, next year.

Investment in Staff

Our largest commitment is associated with our investment in our staff, because we are an organization powered by the wonderful people that we employ. Highly qualified people in all roles are what will eliminate opportunity gaps and disciplinary discrepancies for minority students; people will advance greater educational excellence for all students including those performing at an already very high level; people will make a difference for students who are struggling with depression, anxiety, fear, bullying, and any other number of mental health concerns.

Our schools have been understaffed for far too long. This budget proposes 545.5 total new employees needed to get us to the point where we can adequately serve nearly 59,000 expected students next school year. We have been simply "getting by" for too long and staff is stretched thin. It is unsustainable and must be corrected.

This budget prioritizes special education, mental health and well-being, supports for our students and families in need, continuing to build restorative cultures, innovative career preparation pathways, technology enhancements, and operational needs.

In total, my FY 2020 operating budget request is for \$998.4 million dollars. As you will see as we dive in to each budget priority, this number does not represent excess. It represents necessity.

We will talk about some of these in detail in critical areas.

Enrollment Growth

Howard County is among Maryland's fastest-growing counties, and no abatement to our growth is in sight. We must expect that even more students will enter our classrooms year after year.

We expect to welcome 850 new students to our system next year, which will bring our student population to a projected 58,757, up from 57,907 today. The budget proposal includes funding 74.7 new general education positions to support our enrollment growth, including classroom and related arts teachers, paraprofessional and school support staff.

These increases will allow us to continue to provide each student with a quality education in a safe, welcoming and supportive learning environment while keeping class sizes at a manageable level.

Special Education

This budget prioritizes the needs of some of our most vulnerable students. HCPSS is committed to providing the best possible education to students receiving special education services, and this budget reflects that full commitment.

For special education, "growth" refers both to increased numbers of students entering our classrooms, as well as additional growth in numbers of students that must receive special education services, but are not yet enrolled in any of our schools. This includes, for example:

- Children birth through 3 years of age, who receive services by our staff in community-based settings or the family home
- Students currently enrolled, but who during the school year are identified for special education services through the IEP process
- Students with an IEP who are identified as needing more intensive services.

The budget proposal includes funding for 131.7 new special education positions to support student growth as well as program/placement needs for learners Birth through Age 21. These positions include teachers, paraeducators, students assistants, physical therapists, occupational therapists, adapted physical education teachers, speech/language pathologists, and a teacher of the Deaf and Hard of Hearing. You will find these positions in the Special Education section of the budget book.

Special education staffing formulas differ from formulas for general education because special education is provided as a complement of instructional and related and support services based on individual student needs.

This proposal also provides for 147.1 additional special education positions to align our staffing levels to current formulas, as well as to provide for more intensive student needs, These staff include special education teachers and paraprofessional staff, an additional Board Certified Behavior Analyst (BCBA), a Resource Teacher for Nonpublic Services and Special Education Compliance, and an Instructional Facilitator for Speech/Language services.

Found in the Special Education section of the budget book, these additions will ensure equity and consistency throughout the system, and continue to improve our level of services to where we truly need to be.

We recently established a new Superintendent's Special Education Advisory Council, which engages even more parents, community members and service providers to collaborate with us to identify needs, resolve challenges and refine our special education programs and services going forward. As a result of that work AND through our special education strategic initiatives, we are actively working on priorities that include the IEP team process; disability awareness; professional learning in key focus areas such as instructional interventions in reading, structured literacy, and other areas; behavioral supports, and social skills for students.

We've heard the concerns of our parents and providers, and this budget proposal demonstrates our commitment to addressing those concerns.

Mental Health and Well-Being

Many of our students and staff members are battling anxiety, depression, bullying and other stressors. The number of even very young students affected by mental health issues and other social-emotional and behavioral concerns is growing at an alarming rate. We have already made significant progress in addressing these challenges, but we still have a long way to go. We must eliminate the stigmas associated with receiving mental health supports, and create a welcoming, supporting and safe environment so students, families and staff will be comfortable seeking the supports they need.

We are seeing significant benefit from our addition last year of several new school social workers and nurses, and we continue to build on work started this year that is providing direct counseling services for students in 28 schools needing mental health support.

We know we need to do more and that these supports are needed now, not over several years. One of our neighboring jurisdictions just brought on a total of 109 positions in one year to provide a necessary, comprehensive continuum of support.

My budget proposal includes funding to accelerate these efforts, providing \$10.1 million dollars for 126 new staff members to support students and staff through a continuum of school-based supports. These include nurses, social workers, behavioral and mental health specialists, psychologists, counselors, Pupil Personnel Workers (PPW), security managers and other staff. You will find these positions identified on page 15 in the budget book.

We augment our internal resources through collaboration with community service providers to offer greater access to mental health supports and services, including support for students and families during the hours they are not in school.

The Mental Health Community Advisory Council and Superintendent's Mental Health Community Subcabinet bring together community leaders to combine and synchronize our respective resources. Many of these leaders are here tonight, and I thank you for your participation. These leaders are seeking to align our efforts and increase awareness and promotion, information and referral sources, and the education and training of all to address the well-being of our children and adolescents.

In addition, we value the contributions of the Horizon Foundation and their support through a recent grant that extends mental health efforts in our schools, as well as the Howard County Health Department for their support in funding in-school mental and health wellness clinics. A new Employee Well-Being Workgroup is developing strategies targeted to our 12,000 full- and part-time staff members who often need supports. Our Superintendent's Advisory groups for students, teachers and paraeducators are providing valuable feedback that is informing our community and workforce engagement efforts.

We encourage staff efforts to practice *mindfulness* to enhance mental well-being and alleviate stress. Yoga classes and other programs for staff are developing at schools throughout the system, and we encourage more schools and offices to engage in this type of effort.

Meeting Critical Needs

More than 22 percent of our student body currently receives Free and Reduced-price Meals, or FARMs, but we know that many more students and families are struggling with poverty. We are working to eliminate the stigmas that inhibit far too many from seeking the essential supports available through the FARMs program, which go far beyond free meals and include reduced fees for higher education and other benefits that can potentially exceed \$10,000 in total

savings to families. Often, students and parents believe that they will be treated differently or ostracized by accepting supports. Schools take careful measures to avoid singling out any child from their peers.

We've launched an outreach program to educate families about FARMs benefits, and are enlisting staff to serve as advocates for the program.

Student needs are an important factor in our staffing formulas for support teachers, school administrators and other critical staff. The budget proposal includes 5 new liaison positions to support engagement of students and families in our Hispanic, international and African-American communities and one new position in Communications, Community and Workforce Engagement to enhance our outreach to international and immigrant families, and improve access to information and resources for all HCPSS families by supporting school leaders in their communications.

Diversity, Equity and Inclusion

Establishing a culture that embraces diversity, equity and inclusion is among our most critical priorities. Our success in this work will determine the success of many of our targeted outcomes for student achievement, engagement and well-being.

We are continuing to implement the recommendations of the Committee on Diversity and Inclusion. One of our most important priorities is to eliminate disproportionality in our discipline practices. We are working toward this through multiple measures that include broadly implementing restorative practices throughout every school in our system. More schools are implementing student voice initiatives and other means to help students learn to communicate and solve problems constructively.

Other priorities include building a more culturally diverse curriculum, providing all staff with robust professional development in cultural proficiency, and increasing the level of diversity among our staff. Our new Superintendent's Advisory Group on Diversity, Equity and Inclusion brings in a wider range of voices among our community, staff and students to inform decisions and strategies.

We are making good progress, but we have much more work to do. Our school-based leaders and staff need support and training so that they are better able to put these principles into daily practice with their students.

The budget includes funding for three new positions that will enable the Department of Diversity, Equity and Inclusion, in collaboration with the Division of School Management and Instructional Leadership, to amplify our important work in schools within each of the three Community Superintendent area clusters. This approach will accelerate the transformation of our system culture so that equity, diversity and inclusion will be fully embraced as a way of life in every school and office.

21st Century Learning and Technologies

The 21st century is continuing to unfold, and educating our students means preparing them to enter a workplace dominated by advancing technologies, skills and knowledge. We continue to expand on our career preparation programs through innovative options. These include the JumpStart dual enrollment program that we offer in collaboration with Howard Community College, which is connecting many more students to college courses. We have over 1,800 students enrolled in college-level courses this year, up from 740 last year, and we hope to continue to expand this opportunity for more students.

Other initiatives include our new HVAC and Agricultural Science career academies, the innovative electrician pre-apprenticeship partnership with *Independent Electrical Contractors* that started last spring and is continuing this year, and the new STEM apprenticeship academy that we announced just last week. We are also adding more flexible learning options including digital and blended courses.

The budget proposal includes funding to support the expansion of Career Technology and Education programs, including repurposing space in our Applications and Research Laboratory, or ARL, to add classrooms for new college and career readiness pathways. New positions include a teacher to support our growing roster of career apprenticeship programs, two career academy teachers to support high-demand fields, and digital education paraeducators.

We've established a Program Innovation Advisory Board, consisting of leaders from throughout out county, which connects our system to business and community resources to complement our academic and professional development programs.

We need to give every student opportunities to experience an array of career pathways, discover real-world application of their classroom knowledge, and be supported in a path to a lucrative and rewarding career, whether or not they choose to attend college.

Our classroom technologies are overdue for badly-needed upgrades. There is simply no excuse, here in one of Maryland's wealthiest counties, that many of our classrooms are unequipped with classroom projectors or computer access for all students and teachers. There is no excuse that much of the technology that we do have is obsolete and falls far short of what is needed for teaching, learning and our effective operations.

Additionally, we must equip our schools and offices to guard against the growing prevalence of cyber and other security threats.

This year we adopted a new 5-year Technology Strategic Plan, which provides a road map for technology deployment in our classrooms, labs and offices that is up to date, secure, reliable, cost-effective and responsive to student and staff needs.

The FY20 budget proposal includes \$5.2 million to cover technology upgrades, as well as increasing costs for student transportation and other vital programs.

Restoring Deferred Maintenance

Many of our school buildings, grounds, vehicles and facilities show the impact of long and heavy use, while much-needed maintenance and upgrades have been deferred, year after year.

The FY20 budget proposal provides \$18 million to restore funds for maintenance that was deferred from prior years, plus \$1.6 million for essential upgrades for Building Services and Grounds equipment.

Grounds equipment desperately needing upgrades include mowers, maintenance and dump trucks, and other specialized equipment. Building Services equipment needing replacement includes aging HVAC equipment such as boilers, rooftop units, chillers and cooling towers, and roofing repairs. These units are needed to improve school indoor environmental quality.

We cannot afford to postpone these investments further without seriously compromising student and staff well-being and the quality of our learning environments.

A Clear Path Forward

Our school system and community have overcome the chaos of recent years. Our system is now stabilized, and we can now look ahead with a clear path forward.

I recognize the challenges to our county and state in allocating funding in a tight fiscal climate. However, the reality is that, as long as enrollment and student needs continue to grow, Maintenance of Effort funding levels will fall short of what is actually required to maintain the high quality educational program that our community wants and expects and that our children deserve. Much like the situation we experienced with the Health Fund deficit, this gap could grow progressively wider until funding is brought in line with current and ongoing needs.

The impact of the funding decisions made for the FY 2020 budget and in upcoming years will be seen clearly in the levels of school quality, student achievement and local prosperity for many years to come.

I know that our Board of Education, county and state leaders share with me a sincere dedication and sense of obligation on behalf of the well-being of Howard County children, families and staff. I look forward to working with the Board as we articulate our request to the County and State and then working with elected officials on both levels to ensure we receive the funding we need for our students.

Our new County Executive, Dr. Calvin Ball, and I share a similar educational philosophy as educators and I look forward to our partnership. We know our new County Council members

also consider education a top priority and I am excited to work collaboratively with them as we transform the school system to become a more forward leaning organization.

Thank you for allowing me the opportunity to present this budget proposal this evening.