

BCPSS BUDGET DEFICIT AND THE STATE'S BROKEN PROMISE

MARYLAND'S HISTORICAL FAILURE TO FULFILL ITS CONSTITUTIONAL
OBLIGATION TO ADEQUATELY AND EQUITABLY FUND PUBLIC EDUCATION

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TURN AND TALK

- What brought you here tonight?
- Be ready to share a partner's name and reason for coming.

IN UNDER 3 SECONDS, ESTIMATE THIS PRODUCT

$$1 \times 2 \times 3 \times 4 \times 5 \times 6 \times 7 \times 8 = ?$$

IN UNDER 3 SECONDS, ESTIMATE THIS PRODUCT

$$8 \times 7 \times 6 \times 5 \times 4 \times 3 \times 2 \times 1 = ?$$



anchoring effect

Anchoring is a cognitive bias that describes the common human tendency to rely too heavily on the first piece of information offered (the "anchor") when making decisions. During decision making, anchoring occurs when individuals use an initial piece of information to make subsequent judgments. Once an anchor is set, other judgments are made by adjusting away from that anchor, and there is a bias toward interpreting other information around the anchor. For example, the initial price offered for a used car sets the standard for the rest of the negotiations, so that prices lower than the initial price seem more reasonable even if they are still higher than what the car is really worth.

TURN AND TALK

- What do you understand were the reasons or drivers behind the 130 million dollar City Schools deficit?

HOW CITY SCHOOLS BUDGET CRISIS WAS FRAMED BY THE MEDIA AND CEO

- Decreased enrollment
- Rising teacher salary/benefit costs
- Mandated 21st century building costs
- Pre-K funding

THE “DEFICIT CRISIS” NARRATIVE OBSCURES THE FACTS

1

BCPSS has NEVER been funded adequately by the state, even by the state’s own standards.

2

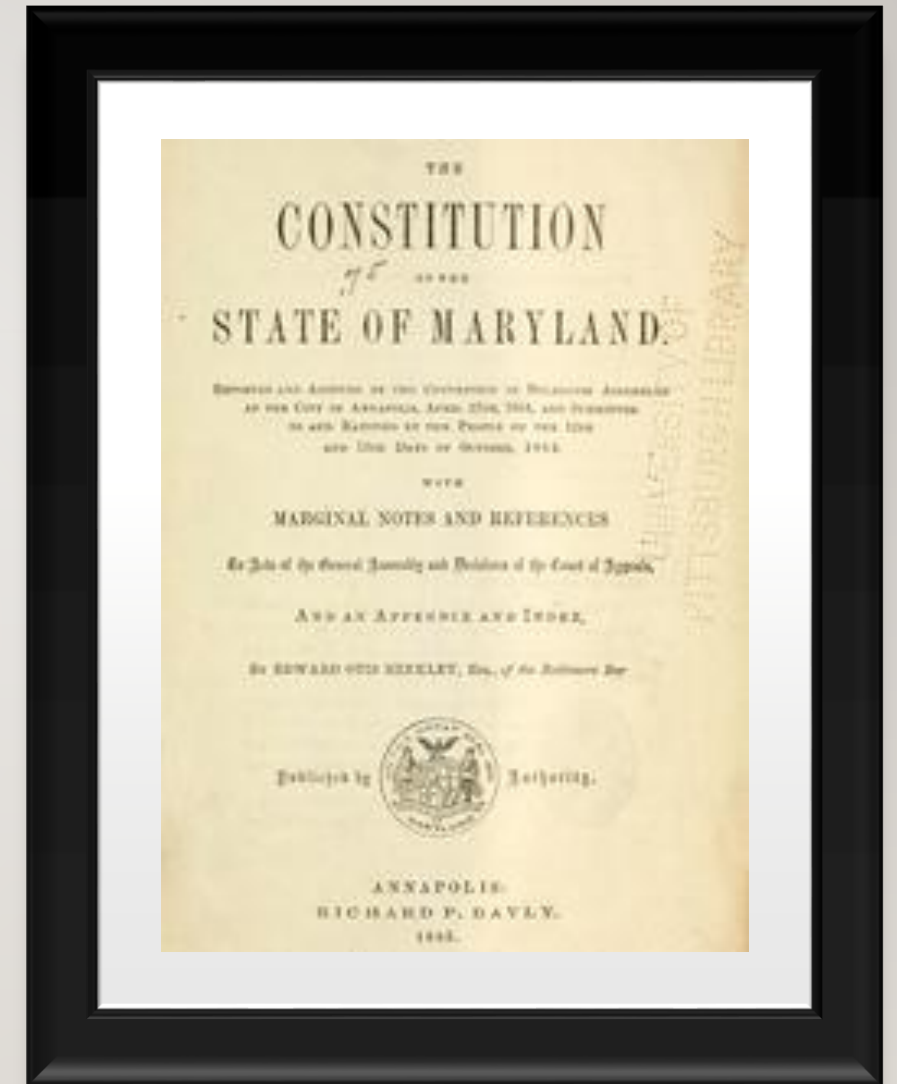
The Maryland State Constitution required Baltimore and other poor districts to receive billions more than they actually received.

SNAPSHOT OF EDUCATIONAL HISTORY IN THE UNITED STATES

- 1619-1865: Education is forbidden for slaves.
- 1865-1955: Separate and unequal education by law
- 1955: Separate schooling for Black and White outlawed
- 1968: Black students experience universal secondary schooling for the first time

MARYLAND STATE CONSTITUTION: ARTICLE VIII EDUCATION

- "The General Assembly, at its First Session after the adoption of this Constitution, shall by Law establish throughout the State a **thorough and efficient System of Free Public Schools**; and shall provide by taxation, or otherwise, for their maintenance."



BRADFORD VS. MD STATE BOARD OF EDUCATION

- 1996 court case resulted in a Consent Decree
- State agreed to "provide a meaningful and timely remedy...to meet the best interests of the school children of Baltimore City"
- The short-term funding fix agreed to (among other reforms) an infusion of funding for the following 4 years, and an opportunity to ask for further funding in 1999.

**1999:
METIS
CONSULTANT
REPORT
AFFIRMS NEED
FOR GREATER
FUNDING**

- **\$260 Million MORE per year confirmed by Judge Kaplan and a consultant as “adequate”**

**2002:
THORNTON
COMMISSION--
NEW
FORMULA
BECOMES LAW**

- Legislature adopts the Thornton Commission formula as law
- Formula did not have a dedicated funding stream

DR. THORNTON'S STORY



2004:
STATE DRAGS
ITS FEET IN
FULFILLING
THORNTON
FORMULA

- The court delivered a memorandum opinion stating that the “constitutional violation” was still in effect.

Fiscal 2002-2008 Adequacy Analyses

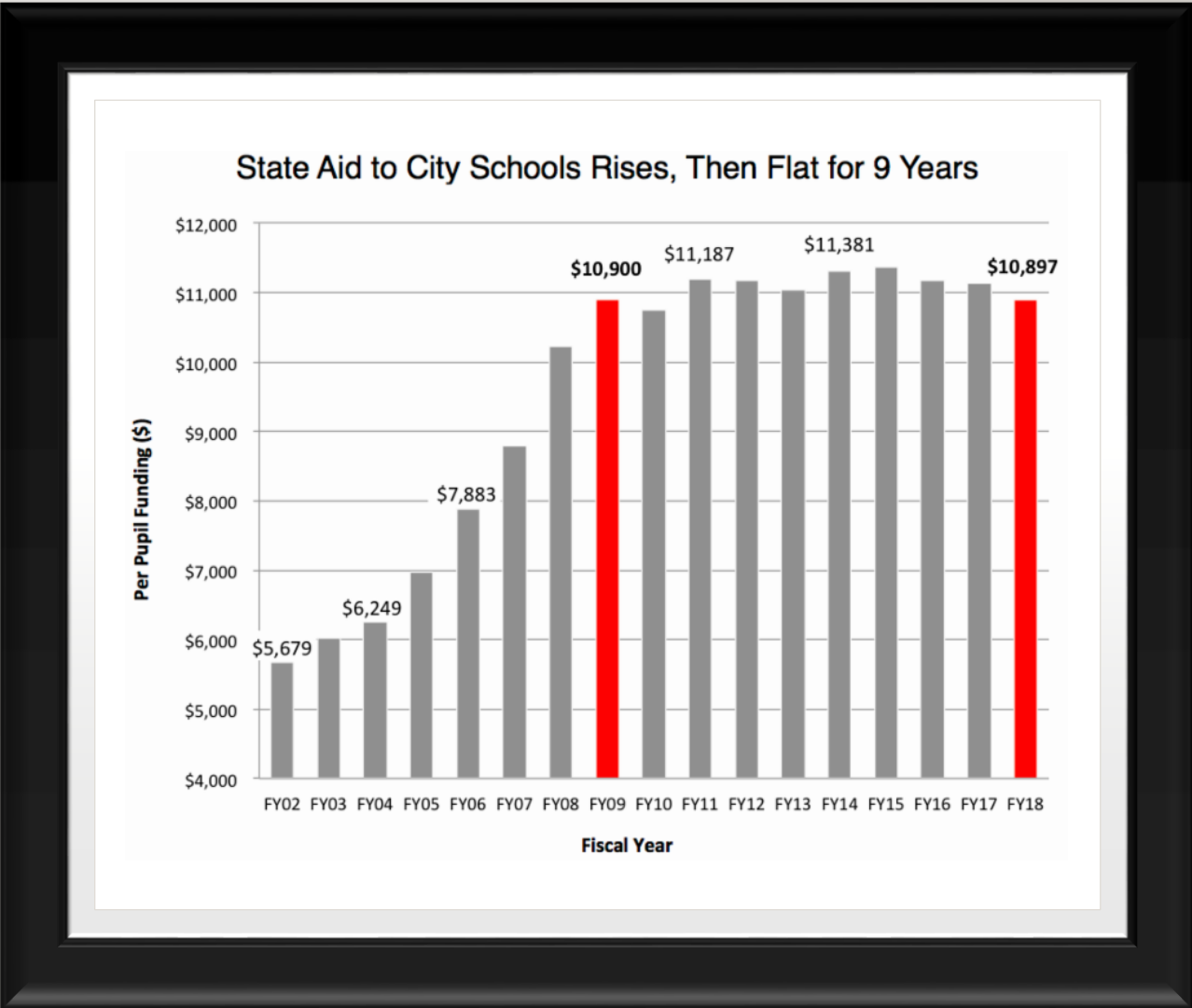
2004-2008

County	Percent of Adequacy Targets Funded						FY 2008	FY02-08 Gain
	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007		
Allegany	79.2	80.0	82.5	85.0	94.4	101.2	108.9	29.7
Anne Arundel	92.4	94.3	93.7	98.3	101.5	107.4	109.0	16.6
Baltimore City	74.8	74.1	73.9	81.8	85.3	91.3	97.2	22.3
Baltimore	92.7	92.6	91.3	95.1	97.4	102.1	103.8	11.1
Calvert	92.2	92.4	96.2	99.4	104.0	106.5	111.1	19.9
Caroline	88.4	87.8	75.5	76.2	99.1	84.8	88.1	19.7
Carroll	90.3	92.6	95.3	100.3	104.5	108.9	111.9	21.7
Cecil	82.0	80.2	81.0	81.0	93.0	99.3	101.0	18.7
Charles	84.1	85.1	87.7	91.4	95.8	105.8	109.0	24.9
Dorchester	77.7	80.2	80.6	84.1	88.3	91.7	92.5	14.8
Frederick	88.5	90.2	93.7	94.5	99.4	103.1	109.5	21.1
Garrett	81.6	83.8	84.2	89.6	91.4	93.6	99.1	17.5
Harford	83.9	84.4	87.1	88.5	96.7	104.3	107.6	23.7
Howard	107.6	110.9	116.4	121.1	126.1	131.0	136.6	29.0
Kent	96.4	98.6	89.5	94.5	98.7	101.4	106.5	10.2
Montgomery	106.0	105.7	110.3	114.8	118.9	121.3	122.7	16.7
Prince George's	70.3	72.6	74.7	79.5	84.0	89.9	95.7	25.4
Queen Anne's	91.2	91.0	93.9	94.3	97.5	100.0	104.2	12.9
St. Mary's	85.2	83.8	87.0	88.7	94.1	97.9	100.1	14.9
Somerset	83.5	82.3	83.5	85.1	91.7	101.7	103.6	20.1
Talbot	85.7	88.6	95.3	93.7	97.7	101.6	99.1	13.4
Washington	83.2	83.1	84.2	86.7	91.4	93.0	97.2	14.0
Wicomico	79.4	79.5	80.3	84.9	86.5	93.3	97.2	17.8
Worcester	97.3	103.7	109.5	119.0	121.2	125.5	128.8	31.5
Total	85.5	86.3	87.1	90.6	93.6	96.6	98.7	13.2

Between 2004-2008, funding was increased to meet adequacy requirements *gradually* rather than *immediately*.

2009-2016

- In some years the state allowed no inflation increase
- State did not fund the Geographic Cost of Index Element



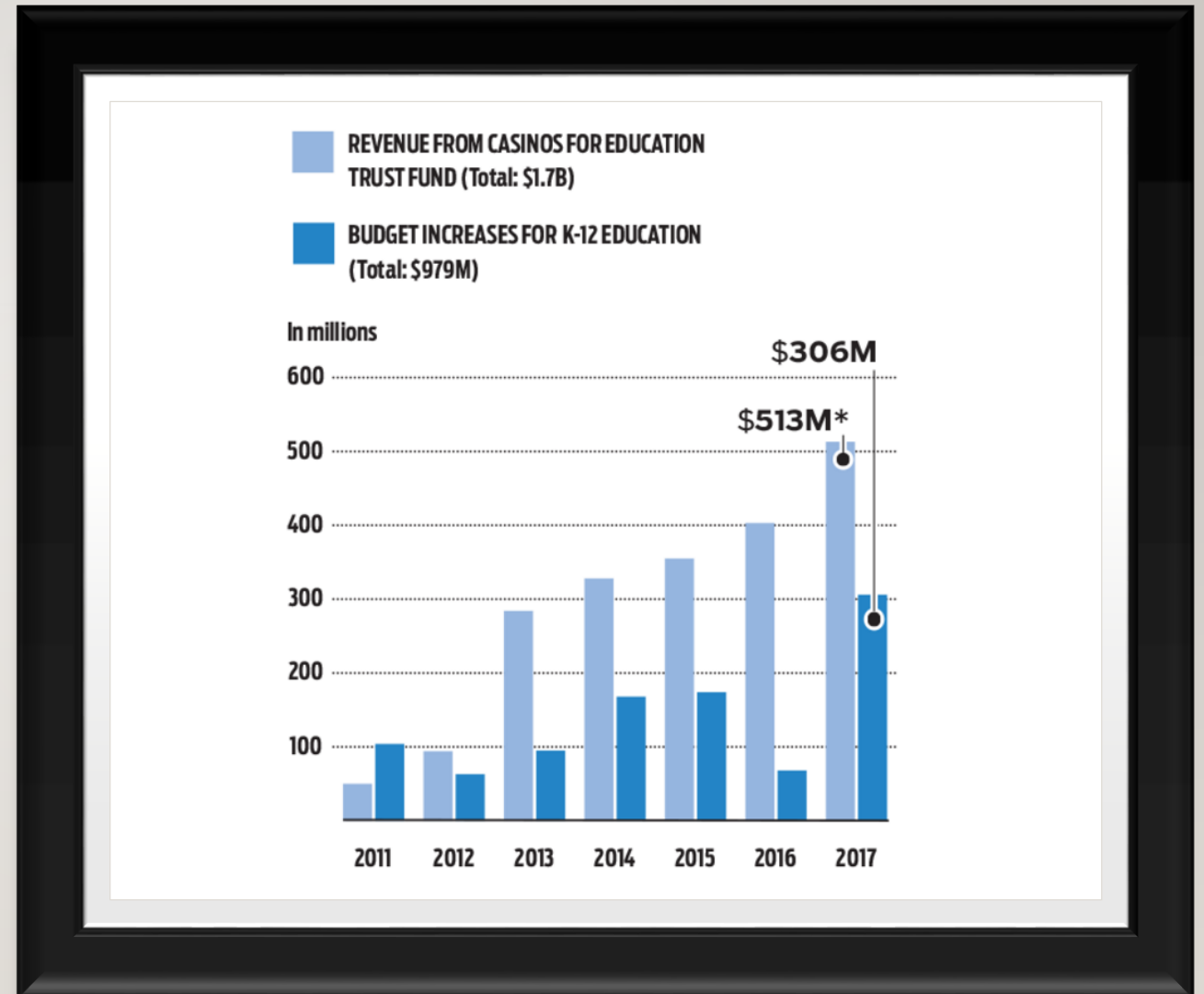
BY 2015 WE WERE \$290 MILLION
SHORT OF “ADEQUACY” FOR
THAT YEAR ALONE.

Fiscal 2015 Adequacy Analysis

County	(\$ in Millions)			Per Pupil			Percent of Adequacy Funded**
	Adequacy Target	Adjusted Revenue*	Adequacy Gap	Adequacy Target	Adjusted Revenue*	Adequacy Gap	
Allegany	\$181.5	\$117.6	\$13.9	\$15,735	\$14,066	\$1,669	89.4%
Anne Arundel	1,075.3	983.1	92.2	13,882	12,692	1,190	91.4%
Baltimore City	1,587.1	1,297.0	290.1	19,755	16,144	3,611	81.7%
Baltimore	1,634.3	1,400.9	233.4	15,396	13,197	2,199	85.7%
Calvert	194.9	205.7	0.0	12,466	13,155	0	105.5%
Caroline	85.4	66.2	19.2	16,135	12,514	3,621	77.6%
Carroll	313.8	315.6	0.0	12,298	12,368	0	100.6%
Cecil	216.7	188.9	29.8	14,641	12,648	1,993	86.4%
Charles	348.8	332.0	16.8	13,721	13,062	660	95.2%
Dorchester	75.6	61.4	14.2	16,496	13,401	3,094	81.2%
Frederick	525.9	490.1	35.8	13,253	12,350	902	93.2%
Garrett	53.1	50.0	3.1	14,313	13,468	845	94.1%
Harford	493.8	438.7	55.1	13,431	11,932	1,499	88.8%
Howard	651.1	790.8	0.0	12,390	15,047	0	121.4%
Kent	30.5	26.9	1.6	15,482	14,680	802	94.8%
Montgomery	2,274.3	2,198.1	75.2	15,129	14,629	500	96.7%
Prince George's	2,230.9	1,678.8	552.1	18,301	13,772	4,529	75.3%
Queen Anne's	97.9	88.4	9.5	13,088	11,820	1,269	90.3%
St. Mary's	226.5	201.7	24.8	13,349	11,887	1,462	89.0%
Somerset	47.7	41.1	6.6	17,453	15,047	2,407	86.2%
Talbot	64.0	52.0	12.0	14,639	11,884	2,755	81.2%
Washington	323.0	279.2	43.8	14,834	12,822	2,012	86.4%
Wicomico	230.9	164.1	46.8	15,868	12,654	3,214	79.7%
Worcester	90.9	104.7	0.0	14,488	16,693	0	115.2%
State Total	\$13,005.9	\$11,595.9	\$1,576.0	\$15,396	\$13,727	\$1,866	87.9%

CASINO REVENUE IN EDUCATION TRUST FUND DIDN'T GET FULLY ADDED TO THE BUDGET, AS INTENDED.

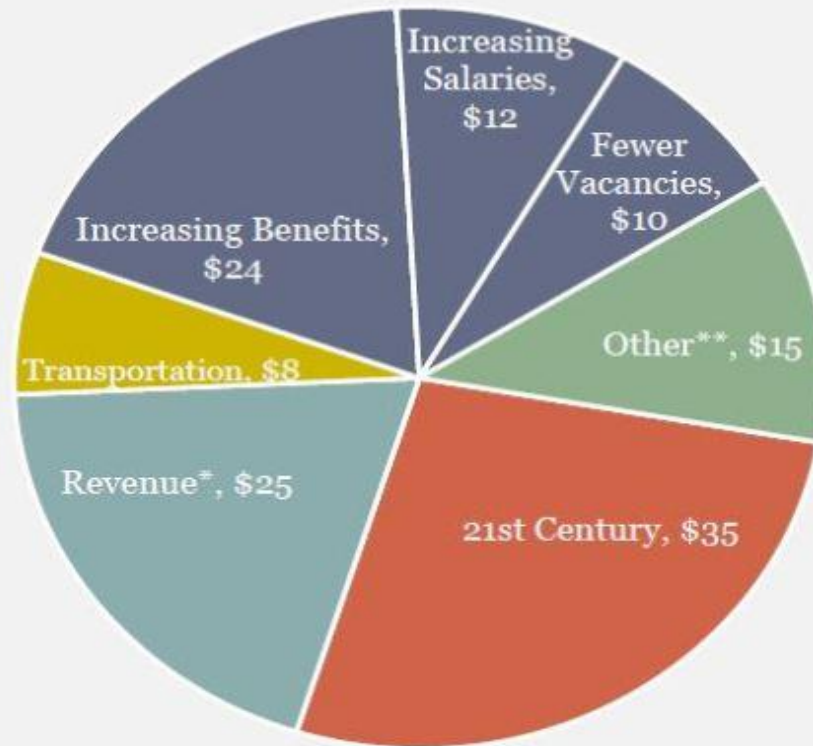
- Though casino revenue did go to schools, the state legislature reallocated money that used to go to schools for other purposes



ADDING UP THE EDUCATION DEBT FROM 1996-2016

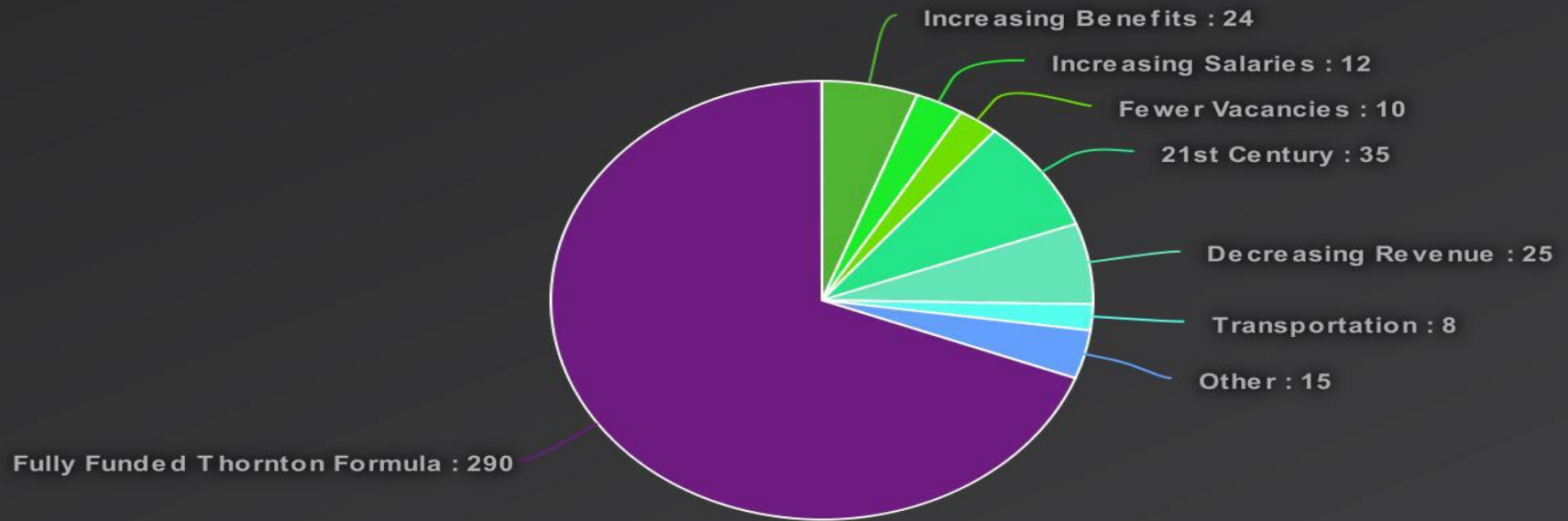
- **1996-2000** = \$1,300,000,000 (Less than the Metis firm per pupil number)³
 - **2001-2004** = \$834,000,000 (Less than what the Thornton formula required)⁴
 - **2004-2008** = Unknown (Gap from gradual rise instead of jumping right to adequacy)⁵
 - **2009-2016** = \$1,000,000,000 (Gap from not fully funding the Thornton formula)⁶
 - **2010-2017** = Unknown (Casino revenue not added on top of current funding sources)⁷
- **TOTAL: 3.2 BILLION**

**STRUCTURAL DRIVERS OF BUDGET GAP –
FY16 TO FY18 (\$M)**



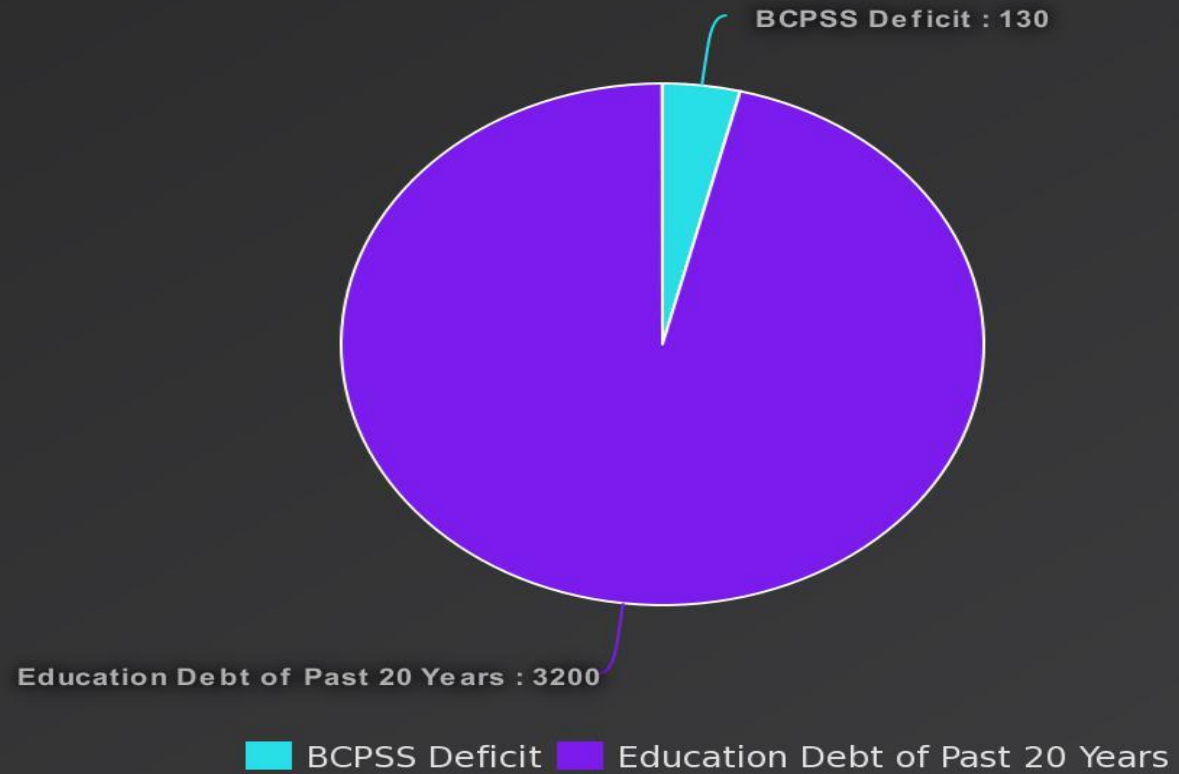
←
Contracts
Instructional Supplies
Utilities

WHAT IS THE REAL DEFICIT DRIVER



Increasing Benefit Increasing Salarie Fewer Vacancie 21st Century
Decreasing Reven Transportation Other Fully Funded Thornton Formul

1 YEAR DEFICIT VS. 20 YEAR DEBT

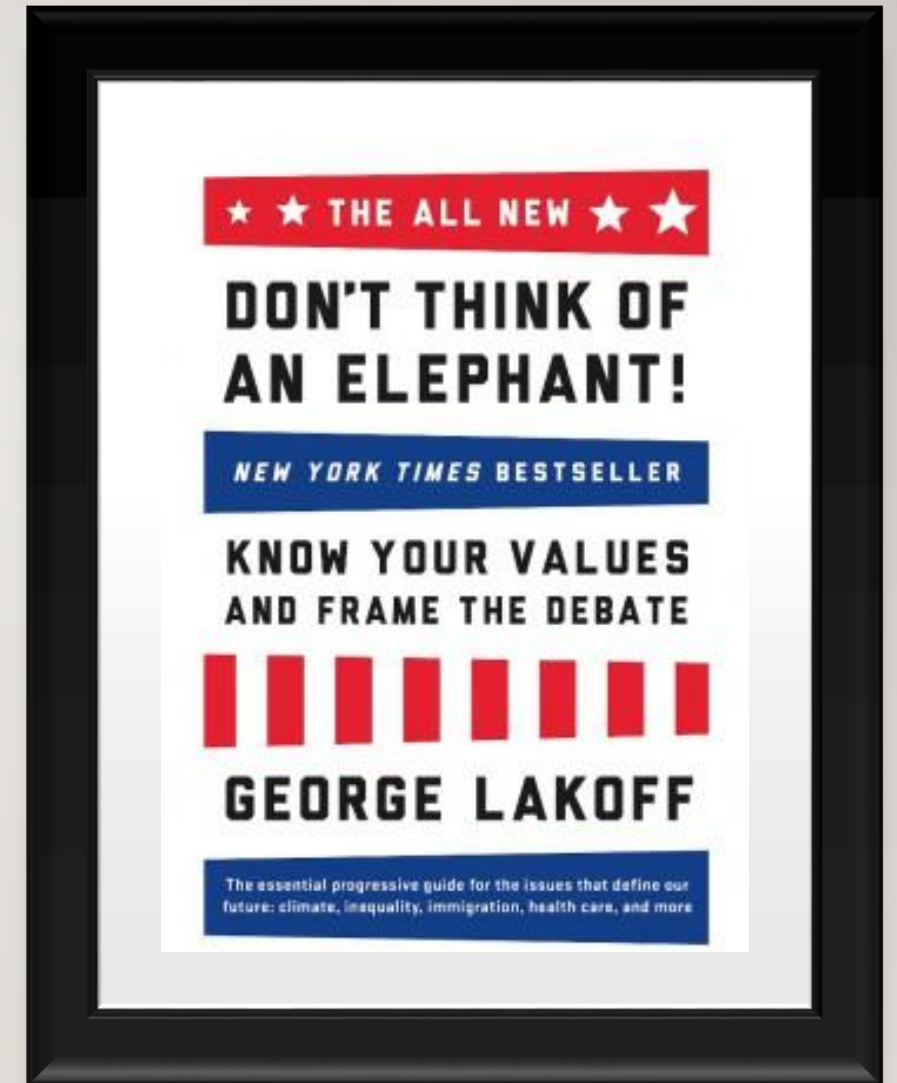


TURN AND TALK

- Given this new framework, how would you describe the deficit to someone in another county?

WE MUST AVOID OUR OPPONENTS FRAMING AND PUSH OUR OWN!

- Cognitive research shows that when you respond to an opponent's framing of an issue, even if your argument is sound and your supporting data flawless, you actually strengthen the framing you're responding to in their mind.



WHAT IS OUR MESSAGE, WHAT DO WE AVOID?

Our children deserve an excellent and equitable education. The state has not met its constitutional obligation to provide the resources necessary for an adequate and equitable education over the past 20 years.

By the state's own definition of adequacy, Baltimore City has a 290 million dollar gap.

Disproving the misleading statements by the governor about record funding for public education.

Tangents about parent choice, charter vs. traditional funding, North Ave.

incompetence, teacher salary/benefits as the driver, union contract issues, blaming Republicans alone...

**TAKING ACTION:
LAWSUITS, MORAL
ARGUMENTS AND
COMMISSION
RECOMMENDATIONS ARE
INSUFFICIENT.**

GOOD SCHOOLS MD

BEC