

Fiscal Year 2010 Budget Presentation
Kevin M. Maxwell, Ph.D., Superintendent of Schools
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Mr. Melendez and Members of the Board,

Thank you very much for this opportunity tonight to discuss the state of our school system and to present you with my recommended Fiscal Year 2010 budget. Before I go any further, though, I want you to know how much I appreciate the collaborative way in which we have gone about the business of enhancing opportunities for all of our students. Together, we have done a lot of good work. Our students, our school system, and our county as a whole are much better for the effort, the passion, and the dedication you have shown.

It is no secret that we stand here tonight as part of a local economy that, like those across the nation and around the world, is facing an uncertain future. We are not immune to the downturn, and we have crafted this budget with that in mind. In addition to the many discussions we have had together, I have spoken on several occasions over the last few months with County Executive John Leopold and members of the County Council. I believe those conversations have led us to a place of greater understanding on all sides, and I certainly respect the job Mr. Leopold and the County Council must do in balancing the varied interests across our county.

I have said before – and I will say again tonight – that I believe this county must change its mindset and muster the will to direct additional money toward education. However, even if that mindset were altered, we must all understand that there is simply no possible way to do that in any significant fashion this year.

We, like county agencies, have been tightening our belt. And I want to be very, very clear, and tell you and everyone in our county tonight what I have told our principals and department heads already: The fiscal circumstances in which we find ourselves will not – I repeat, will not – be used as an excuse to deter us from our mission, our Journey To Greatness. We will have to make tough decisions, and unfortunately we will have to delay programs. But we will continue our journey toward becoming the best school system in this state and one of the best in the nation. It may take us a little longer to get there, but we will get there. I believe with all my heart that we have the right people in the right places at the right time to make that happen.

We are far from the first who have faced tough challenges. History books are full of those who viewed such circumstances not as impediments, but as temporary obstacles that required a little ingenuity and a different approach to overcome.

Living in Detroit in the late 1950s and raising two sons by herself, Sonya Carson surely didn't see her challenge as too difficult to overcome. Instead she insisted her boys read two books a week and provide her with book reports. Her insistence on that education, albeit through an unconventional method, paid off. Today, one of her sons, Dr. Benjamin Carson of Johns Hopkins Hospital, is widely regarded as the nation's leading pediatric neurosurgeon.

Education was also critical to the future success of Fred Smith, who grew up in Mississippi in the 1940s. His father died when he was 4 and he had to learn a lot on his own. But he read feverishly, and learned more lessons through his athletic pursuits. He attended Yale University and for a class project he crafted a plan for a reliable parcel delivery service. He received a low grade on that project, but continued to fine-tune his concept. Clearly, that work paid off. Today, the firm founded by Fred Smith – Federal Express – is the largest air freight carrier in the world.

Undaunted by impediments, some found alternative routes. Others plowed ahead with determination, even when many said they'd never make it.

We have similar stories in this county. Just down the road from this chamber, a group of 200 or so dedicated educators and staff members put a vision in place and teamed with thousands of students, parents, and community members to do what many thought impossible: Just one year later, Annapolis High School has made Adequate Yearly Progress.

Our AYP success has not been limited to Annapolis, however. This year, 100 of our 109 comprehensive schools – including all 12 of our comprehensive high schools – made AYP. That's three schools better than a year ago. That's progress.

At the middle school level, Bates Middle School is in the midst of what I believe is a renaissance. The school made AYP in 2007-2008 after missing it in eight of 17 categories the year before. In addition, Marley and Lindale middle schools made AYP for the second straight year, thus exiting the state's School Improvement process. That's progress.

At the elementary school level, our county earned its ninth National Blue Ribbon School designation when the U.S. Department of Education bestowed that honor on Broadneck Elementary earlier this year. Again, that's progress.

Our efforts to infuse equity across our school system are paying off, and we are continuing to see a narrowing of the achievement gap. Since 2003, the countywide performance of African-American students on the MSA Reading and HSA English assessments is up 29 percentage points. It's also up 29 points on the MSA Math and HSA Algebra assessments. For all other students, performance improved 19 and 22 percentage points, respectively, over the same period. That's progress.

When it comes to our most needy students, we are, again, seeing progress. On the MSA exam since 2003, the difference between overall performance of county students and that of students receiving free and reduced meals has shrunk from 25 to 14 points in Reading and 22 to 15 points in Math.

Our staff and students at Eastport Elementary School certainly don't believe achievement is impossible. The school has the highest percentage of FARMS students in the county, yet it has made AYP for five straight years, and last year's third-graders were 100 percent proficient in Math, as were the school's fourth-graders the year before.

We continue to be among the leaders in the state in special education as well. Our Alt-MSA Math scores are tops among Maryland's five largest jurisdictions, and our Alt-MSA Reading

scores are second by only one-tenth of a point. We've received national recognition for our Bridges Curriculum, which addresses the education of children with autism, and are marketing that curriculum nationally. That's progress.

Our push for rigor is paying off not only with increased numbers of students in our advanced placement classes, but in the number of students taking critical AP exams. In the last two years, we've seen increases of 22 and 18 percent. The numbers are even better for African-American students, where we've seen rises of 60 and 35 percent, respectively.

For the second straight year, we are among the top 10 school districts in the region on the Washington Post's Challenge Index, a measure of the ability of schools and school systems to prepare students for college-level exams. Ten of our 12 high schools – two more than a year ago – received rankings that place them in the top six percent of schools nationwide.

Just two years ago, our school system was 16th on the Challenge Index. We have since moved past five other counties, including Howard, Calvert, and Charles, and we've got our sights set on Montgomery, the only state school system currently ahead of us.

Our high schools administered 48 percent more AP exams last year than in 2006. In terms of a single-year increase, Meade High School – which jumped an incredible 59 places on the Challenge Index – administered twice as many exams last year as the year before, and Chesapeake High School saw a 60 percent jump. While we still want to see improvement in our overall scores, the data clearly show that students who take these exams, even if they don't score well, are more successful in college than students who take no AP courses at all.

With regard to the Class of 2009, we are among the leaders in the state in terms of meeting HSA graduation requirements. Nearly 92 percent of our current seniors have met those requirements, and while we continue to work student by student toward our goal of 100 percent graduation, our percentage of students who have already met the requirements is the best among the five largest jurisdictions in the state and more than eight points above the state average. More progress.

This year we opened our county's first Science, Technology, Engineering, and Math Magnet program at North County High School. We also launched the Homeland Security signature program at Meade High School. Both are programs of rigor and relevance that not only open more career pathways for students, but further collaborative relationships with the business community which will one day employ the students we now educate. That's progress, and I do not intend for a minute to let tough economic times curtail that progress.

When it comes to a quality workforce, we are again continuing to make progress. Earlier today we celebrated the newest class of National Board Certified Teachers, and the 36 teachers in that class bring the number in Anne Arundel County to 160. We are second only to Montgomery County in the number of National Board Certified teachers, and we have 82 more candidates pursuing teaching's top distinction this year.

In addition, our Division of Human Resources has already met its 2012 goal of having 75 percent of our teaching assistants designated as Highly Qualified. And among administrators

this year, 50 percent of our newly hired administrators are male and 50 percent are African-American. That's progress.

As I said at the outset, the road ahead will be fiscally tough. But the current year is tough as well. As you know, we have made \$8.3 million in painful cuts to balance our budget this year. Among them:

- We eliminated 180 permanent positions and 20 temporary positions. Of the 200 positions cut, 150 came from outside the classroom.
- On the business side, we reduced contracted services by 77 percent and equipment purchases by 44 percent.
- We reduced both business and instructional professional development by 50 percent.
- We reduced school-level materials of instruction by 15 percent.

Those cuts, I want to make clear, were not one-time reductions. They are all carried over into the Fiscal Year 2010 budget. We have been forced to assess and adjust, and department heads have been charged with finding new ways to accomplish their goals. That won't change, but as I said before, fiscal constraints will not be an excuse for failing to achieve our goals. The operating budget I am recommending to you tonight is \$977.4 million. There are just \$3.6 million in program enhancements in this budget, far below the \$12.9 million approved in the current budget or the \$16.7 million in Fiscal Year 2008.

Overall, this budget is \$46.1 million more than that approved for the current fiscal year and represents an increase of 4.9 percent, the smallest increase requested in more than 10 years. Of that increase, \$42.5 million is allocated to the full funding of our negotiated agreements and fixed costs such as utilities, health insurance premiums, and debt service owed to the county. As I have said before, I believe our school system and our county have a moral obligation to fully fund our negotiated agreements. This budget does not contradict that belief.

This budget, however, directs critical scarce resources into the classroom. It contains no compensation increases for senior or executive staff members. While their work is vitally important to this system, it is my belief that we must ask these employees to shoulder a heavier burden this year for the good of our organization. Likewise, I will not receive a compensation increase in this budget.

This budget also contains no additional positions across the system. Let me say that again. For what I believe is the first time ever, there is not a single additional position requested as a part of this budget. We will continue to make adjustments within our organization, but we will not expand our workforce in the coming year. Every position needed for programmatic reasons will come through reallocating positions within the existing workforce. This may, in some cases, cause increases in class sizes.

We will, however, expand opportunities for our children. This budget includes \$804,000 to implement our county's first Performing & Visual Arts Magnet program at Bates Middle School next year. It contains \$643,000 to open the second STEM Magnet program at South River High School next year, and another \$254,000 for the second year of the STEM Magnet at North County High School.

I've also allocated \$1.9 million for a new student information system, which is responsible for tracking enrollment and attendance, grade reporting, transcripts, and class scheduling. We must replace our current antiquated system, which will no longer be supported by the vendor after this school year.

As I mentioned, we will have to continue to find alternate paths to get where we want to go. We will implement the new six-period middle school schedule next year and provide students with more exposure to a variety of fields of study while offering daily yearlong science and social studies instruction. Again, we will accomplish this by reallocating resources from across our system.

There will, naturally, be delays in other programs and initiatives. Though we have made tremendous strides in addressing the wide spectrum of needs presented by our special education students in recent years, we will be unable to add much-needed positions in that area this year. We also will delay for another year the further expansion of our AVID program into fifth grade, and we will put off the implementation of several high school signature programs.

The proposed \$214 million capital budget request will continue to provide better educational experiences for all of our students. That budget includes funding for ongoing projects at Severna Park Middle School, Southgate, Overlook, and Pershing Hill elementary schools, and Northeast High School. It also includes funding for construction at Belle Grove Elementary School and design and construction funding for Annapolis, Germantown, Folger McKinsey, and Point Pleasant elementary schools as well as design funding for Phoenix Annapolis.

As this Board will recall, there also is \$8 million in the capital budget request to continue to address open space classroom enclosures.

Mr. Melendez and members of the Board, it is easy to lead any organization in good times. It is far more challenging to do so in difficult times. Despite the fiscal constraints, this budget creates more opportunities for more students in more places across our county. This will be a year of challenge, but I am confident it will also be one of perseverance and continued progress. Together we have led – and I believe we will continue to lead – this school system forward on our Journey To Greatness. Thank you again for everything you do for our children.