

APPROVED
44-1998

Rockville, Maryland
December 4, 1997

The Board of Education of Montgomery County met in special session at the Carver Educational Services Center, Rockville, Maryland, on Thursday, December 4, 1997, at 7:35 p.m.

ROLL CALL Present: Dr. Alan Cheung
 Mr. Blair G. Ewing
 Mr. Reginald M. Felton
 Mrs. Nancy J. King
 Mrs. Beatrice B. Gordon
 Ms. Ana Sol Gutiérrez
 Ms. Mona M. Signer
 Ms. Debra Wheat
 Dr. Paul L. Vance, Secretary/Treasurer

Absent: None

Mr. Felton thanked the community for the very rich experience serving as president of the Board of Education over the past year. He also thanked his colleagues, Board staff, and executive staff. Mr. Felton was presented with a gavel as a memento of his year as president.

Re: ELECTION OF OFFICERS

The superintendent announced that as secretary-treasurer of the Board of Education he would preside until the election of the president. To be elected president or vice president, a member needed five votes, and all members were in nomination.

Dr. Vance announced the results of the first ballot:

Dr. Cheung voted for Mrs. King;
Mr. Ewing voted for Mrs. King;
Mrs. Gordon voted for Mrs. King;
Ms. Gutiérrez voted for Dr. Cheung;
Mr. Felton voted for Mrs. King;
Mrs. King voted for Mrs. King;
Ms. Signer voted for Mrs. King; and
Ms. Wheat voted for Mrs. King.

Mrs. King was elected president and assumed the chair.

Mrs. King announced the results of the first ballot:

Dr. Cheung voted for Mr. Ewing;
Mr. Ewing voted for Ms. Gutiérrez;
Mrs. Gordon voted for Mrs. Gordon;
Ms. Gutiérrez voted for Mr. Ewing;
Mr. Felton voted for Mrs. Gordon;
Mrs. King voted for Mrs. Gordon;
Ms. Signer voted for Mrs. Gordon; and
Ms. Wheat voted for Mrs. Gordon.

Mrs. Gordon was elected vice president.

Mrs. King thanked her colleagues who supported her with their votes. She looked forward to a year of working together as a Board. She thanked Mr. Leggett for attending the election, and said it spoke well of the relationship between the Board and County Council. She thanked both the Board and executive staff, and she appreciated their support. There are a lot of challenges before the Board, and she looked forward to working with everyone to make it a successful year.

Mrs. Gordon thanked her colleagues for supporting her for vice president, and she vowed to help Mrs. King and support the Board in the coming year.

Re: DIALOGUE WITH THE BUDGET REVIEW COMMITTEE

Dr. Vance invited the co-chairs of the Budget Review Committee (BRC) to the table: Ms. Margaret Donnellon and Mr. Tony Santangelo. The BRC had been created in May and in June five subcommittees were established:

1. Class size and staffing
2. Employee benefits
3. Transportation
4. Entrepreneurship and revenues
5. Children with special needs

The following is a complete list of the subcommittee recommendations that the Budget Review Committee for FY 1999 considered, indicating in parenthesis whether each recommendation was adopted by the full Committee. The Budget Review Committee presented all of the recommendations of the subcommittee to be considered and commented on by MCPS and the Board of Education. The recommendations were made in any particular order of importance as every suggestion was considered important and given the appropriate consideration. The recommendations were presented by subcommittee without accompanying rationale or explanations.

CLASS SIZE

1. Fund the Board of Education's multi-year initiative to reduce the average size in elementary, middle, and high schools to the FY 1995 level (BY CONSENSUS)
2. Accelerate by one year the Board of Education's initiative to reduce class size in elementary, middle, and high schools (BY CONSENSUS)
3. Give priority consideration in elementary schools to restoring teaching positions in the primary grades where research shows that class size has the greatest impact on student success. *Of any additional funds allocated to the secondary schools, give priority consideration to restoring positions to lower average class sizes in mathematics to support students participation and success in advanced level math classes (Language added) (BY CONSENSUS)*
4. The committee recommended that *the Board of Education commission a study to investigate the relationship between class size in high school math classes and student success (Added to clarify points in item 3 and adopted) (BY CONSENSUS)*

TRANSPORTATION

Long term for MCPS to begin studying in FY 1999.

1. MCPS should examine the feasibility of alternative fuels (e.g., compressed natural gas) as replacements are needed for its existing fleet as well as for the purchase of 292 buses which will be required in FY 2000 (BY CONSENSUS)
2. MCPS should be prepared to exercise leverage with vendors to obtain the best possible arrangement for 292 buses with specifications that could include alternative fuel capability (BY CONSENSUS)
3. Union renegotiating opportunities (NO COMMENT)

Short term requiring further study and action by MCPS in FY 1999

1. The Board of Education should establish *at the high school level* a pilot plan to determine whether bus routes and runs can be eliminated and cost savings accomplished by capturing the value of empty school bus seats or encouraging more students to make alternate transportation arrangements by offering an incentive to students and their families, in the form of a credit for school lab, cafeteria, activity, or other fees to give up the entitlement to a school bus seat for a semester or the year *(Language added) (BY CONSENSUS)*

2. Realign bell times to eliminate potential bus routes (NOT RECOMMENDED)

Short term for implementation in FY 1999

1. There is a significant opportunity for short term annual cost savings to the operating budget through extending the term of the Master Lease from 6 to 8 years on new vehicles (BY CONSENSUS)
2. *In addition to #1*, examine the possibility of financing bus purchases as capital expenditures through the capital improvement program rather than through the operating budget (*Language changed*) (BY CONSENSUS)

PERSONNEL/BENEFITS

1. Computer system improvements (BY CONSENSUS)
2. Improve employee communications regarding benefit plans (BY CONSENSUS)
3. Increase employer share of HMO contribution to 95% across the board (BY CONSENSUS)
4. Implement cut off age for student dependents at age 25 with one year notice from date of implementation (BY CONSENSUS)
5. If indemnity plan continues, then modify in the following ways (BY CONSENSUS)

(NOTE the following is a list of suggested modifications. Each was considered by the subcommittee and the Budget Review Committee individually.)

- a) Encourage use of PPO doctors through increased communications and awareness of cost savings (BY CONSENSUS)
- b) The list of PPO doctors should be published, *recorded in a video format, or other multimedia forums* and circulated (*Language added*) (BY CONSENSUS)
- c) Encourage use of large case managers through increased employee communications and awareness (BY CONSENSUS)
- d) Increase indemnity deductible from \$100 individual/\$200 family to \$300 individual/\$600 family (RECOMMENCED by vote of 13 to 2)

- e) Implement 20%/80% employee/employer sharing of the premium (RECOMMENDED by vote of 14 to 1)
 - f) Close all transfers to the plan (RECOMMENDED by vote of 7 to 6 with 2 abstentions; *this vote overturns the recommendation of the subcommittee which voted against this provision*)
6. Discontinue the indemnity plan (RECOMMENCED by vote of 8 to 5 with 2 abstentions)

ENTREPRENEURIAL MEANS OF REVENUE ENHANCEMENT

To reiterate the position of the subcommittee, some of the recommendations may require legislative or administrative changes before implementation. The Budget Review Committee recognized this when considering each individual recommendation. For those recommendations that were supported, the Budget Review Committee is likewise requesting the Board of Education to pursue those recommendations whenever feasible through the appropriate necessary channels.

1. Fees

- a) Develop an overall fee policy for MCPS with the caveat that fees generated would not be part of the spending affordability budget (RETURNED TO SUBCOMMITTEE FOR FURTHER STUDY).
- b) Examine increasing the fee charged to out-of-county/state students *to the extent* legally possible and be more diligent in identifying such student. (*Language added*) (BY CONSENSUS)
- c) Self-finance extracurricular activities through user fees but include provisions for lower income families or families with more than one student (NOT RECOMMENDED BY CONSENSUS)
- d) Charge parking fees for school events (football games, concerts, etc.) (RECOMMENDED by vote of 7 to 6 with 1 abstention and 2 absences)
- e) Items were deemed requiring further study by future committees

2. Developers and Corporations

- a) Solicit developers and *other businesses* to donate to the Education Foundation if they build/do business in Montgomery County. (*Language changed*) (BY CONSENSUS)
- b) Explore the feasibility of having developers share the cost of building new schools required for their development (NO RECOMMENDATION by vote of 6 to 6 with 3 abstentions)
- c) Require developers to contribute funds to reduce class size which may increase due to their development (NOT RECOMMENDED by vote of 9 to 2 with 4 abstentions)

3. **School Building and Property**

- a) Seek redistribution of funds from ICB on a fair allocation based on usage (BY CONSENSUS)
- b) Increase the rate charged by ICB for use of school property (BY CONSENSUS)
- c) Increase the use *of available space in* school buildings for child care, senior citizens, and other community usage *with appropriate charges* (*Language added*) (BY CONSENSUS)
- d) Rent unused school buildings (BY CONSENSUS)
- e) Rent school libraries to private schools (NOT RECOMMENDED BY CONSENSUS)
- f) Rent school buses (NO COMMENT -- already policy)
- g) Allow advertisements on school property (*Language changed*) (RECOMMENDED by vote of 8 to 6 with 1 abstention)

4. **Sales**

- a) Explore the marketing of Global Access (copyrightable material), science kits, and other proprietary educational materials (CRT tests, etc.) (*Language added*) (BY CONSENSUS)
- b) Combined with item A

- c) Offer advertising space on school web sites (NOT RECOMMENDED by vote of 9 to 3 with 2 abstentions and 1 absence)
 - d) Sell school lunches to private schools (BY CONSENSUS)
 - e) Produce and sell videotapes of various school events such as graduation ceremony, plays, concerts, etc. (BY CONSENSUS)
 - f) Auction or sell unused/surplus items such as computers, text books, furniture, etc. (NO COMMENT current policy)
 - g) Sell educational license plates similar to the "Save the Bay" tags with revenue going to each school system based on county of residence (BY CONSENSUS)
 - h) Privatize school meals (NO RECOMMENDATION by vote of 8 to 8)
5. **Student/Staff/Parents Donation** (*Language added*)
- a) Poll teachers and staff to solicit their ideas as to cost savings and revenue enhancement (BY CONSENSUS)
 - b) Have parents contribute funds specifically for reduced class size (NOT RECOMMENDED by vote of 12 to 4)
 - c) Encourage students to perform a certain portion of the required community service for the students' school (*Language changed*) (BY CONSENSUS)
6. **Grants and Contributions**
- a) Increase resources and personnel to seek grants from federal/state/private/nonprofit sources (BY CONSENSUS)
 - b) Seek alumni contributions (BY CONSENSUS)
 - c) Explore notion of "quasi-tuition" -- fundraising similar to private schools (RETURNED TO SUBCOMMITTEE FOR FURTHER STUDY)
 - d) Investigate the use of specific foundations to target certain budget items (COMBINED with item #A this section)
7. **Cost Savings**

- a) *Fully* implement combining county services *where appropriate* such as merging print shops for MCPS and Montgomery County Government. *(Language added)* (BY CONSENSUS)
- b) Combine purchases of textbooks, paper, supplies, etc. with other local school systems for possible volume discounts (BY CONSENSUS)
- c) Rotate curriculum within a certain grade level within a school cluster to reduce the number of books, supplies, etc. required *where deemed educationally appropriate and feasible without requiring additional resources (Language changed or added)* (BY CONSENSUS)
- d) Moved to section V. Item # C
- e) MCPS should continue working toward the highest level of fiscal accountability *(Language changed)* (BY CONSENSUS)

SPECIAL NEEDS

- 1. Direct reduction in litigation costs
 - a) Increase the size of MCPS in-house legal staff to replace the use of more costly outside counsel (BY CONSENSUS)
 - b) MCPS should *consistently* notify families of shortages and other breakdowns in the delivery of services. MCPS should proactively offer alternative or compensatory services, rather than wait for individual families to request remedy, compensation, or other action. *(Language changed)* (BY CONSENSUS)
 - c) Work with Office of Administrative Hearings (OAH) and parents to encourage sequential access to mediation and due process hearings. The current system encourages parallel filing on the part of parents, which significantly increases costs to both parties (BY CONSENSUS)
 - d) All parties including MCPS, parents, attorneys and OAH should work together to reduce requests for post hearing briefs. *(Language changed)* (BY CONSENSUS)

- e) Recommend all parties to hearings place additional emphasis upon prehearing stipulations in order to maximize hearing time and reduce costs (BY CONSENSUS)
- f) Explore opportunities to competitively evaluate outside legal services (*Language changed*) (BY CONSENSUS)

2. Program Cost Savings Measures

- a) MCPS should request non-public *schools* assume responsibly for providing or contracting for transportation services and include these costs in their tuition and charges back to MCPS. *Provided that the state reimbursement of the cost of such transportation is available*, such an approach may allow for state reimbursement of up to 80% of the cost of transportation. It is also recommended that MCPS bid as a service provider. (*Language changed*) (*Language added*) (BY CONSENSUS)
- b) Recommend MCPS contract for a fixed number of placement 'slots', *provided that the number of slots would be eligible for state reimbursement*, with many of its high turnover nonpublic special education partners. This would increase the number of placements eligible for state reimbursement. In addition, guaranteed placements would add certainty to the cash flow of the service organization, and potentially allow for tuition discounts. (*Language added*) BY CONSENSUS
- c) Evaluate privatization of public programs exceeding the state cost reimbursement threshold for non-public placements. Since the state pays 80% of the costs exceeding this level, it may be less expensive to educate these children in non-public settings (RECOMMENDED by vote of 10 to 2 with 1 abstention)
- d) Work with the state to develop regulations and guidelines for the increased use of paraprofessionals in support of special education programs (BY CONSENSUS)
- e) MCPS should explore the competitive *evaluation* of costly, low volume special education services (*Language changed*) (BY CONSENSUS)
- f) Eliminate MCPS services in support of the Noyes Children's Detention Center (BY CONSENSUS)

3. Program Enhancements

- a) *Comparison of Special Education funding among 'high performing' school systems suggests that a comprehensive reevaluation of MCPS special education programs and resources is due (Language changed) (BY CONSENSUS)*
- b) The Department of Special Education should institutionalize a formal monthly process for review of enrollment, staffing levels, class size, and caseload. The department must also have the authority to act quickly to add and shift resources (BY CONSENSUS)
- c) Explore establishing additional, high quality, categorical, and self contained special education programs and classes. Much of the litigation results from insufficient program options and capacity in the SED and LD arena (*Language changed*) (BY CONSENSUS)
- d) Change special education planning models and operating practices to treat COMAR and MCPS staffing guidelines as class size or caseload maximums, as opposed to the current practice of using difficult to measure and unreported system wide averages (RECOMMENDED by vote of 12 to 2)
- e) Allocate related service provider and resource teacher staff to schools based on a summation of the requirements of the EEPs of the students assigned to the school (BY CONSENSUS)
- f) Adjust the summer pay rate, which has created a critical shortage of staffing in support of the Extended School Year (ESY) program (BY CONSENSUS)
- g) Develop a pool of substitute speech pathologists, occupational therapists, and physical therapists to cover periods of extended absence by service providers (BY CONSENSUS)
- h) Responsibility for alterative programs should be transferred to the Associate Superintendent for Instruction and program Development (RETURNED TO SUBCOMMITTEE FOR FURTHER STUDY)

4. Improved Relations with Families and Community

- a) There is a need for increased accountability on the part of MCPS to deliver and document for parents the delivery of special education services. This is

particularly a problem in the area of related services (RETURNED TO SUBCOMMITTEE FOR FURTHER STUDY)

- b) Change the wording of post ARD/CARD letters to families. Offer to continue to work with the families, and remove requirements to file for mediation or due process hearing within 30 days (BY CONSENSUS)
- c) Address the shortage of supervisory and administrative staffing within the department. There is felt to be a lack of program oversight, problem resolution resources, *and instructional support to the teachers (Language changed)* (BY CONSENSUS)
- d) MCPS should *increase efforts* to document, publish, and make available to the community guidelines for the ARD/CARD process (*Language added*) (BY CONSENSUS)
- e) It is recommended that MCPS declare to the opposing party its intentions to be represented by an attorney or an MCPS employee who is also a member of a bar association in any state. We also urge unrepresented parents, who are members of a bar association, to declare this status to MCPS with their application for a hearing (RETURNED TO SUBCOMMITTEE FOR FURTHER STUDY)
- f) Establish the position of special education ombudsman to provide a public advocate, central point of contact, and information resource for the parents. Ideally this position would be outside of MCPS, funded by an other public agency (NOT RECOMMENDED by vote of 11 to 2 with 1 abstention)
- g) Undertake previously proposed plans for a special education satisfaction survey. The recommended focus of this research should be determination of programs and services desired, and the causes of disputes and litigation. BY CONSENSUS
- h) Explore increasing resources of the Parent and Information Training Centers (PITC), and refocus their mission toward emphasis on special education (BY CONSENSUS)

5. **Business Practices**

- a) Budgets for litigation costs must reflect the reality of current and expected levels of *effort (Language changed)* (BY CONSENSUS)

- b) MCPS should measure and report education class size and other ratioed positions in a way that is consistent with state law, and periodically (monthly) report this data to the public (BY CONSENSUS)
- c) *Provide clear guidelines* for parents and their representatives to use for reimbursement costs when such reimbursement is so ordered by a judge, state decision, or mutual agreement (*Language changed*) (BY CONSENSUS)
- d) MCPS should evaluate modification of its contract language with outside legal service providers to remove the clause requesting invoices provide less than a full and complete accounting of legal service activities (RETURNED TO SUBCOMMITTEE FOR FURTHER STUDY)

6. **Other Recommendations**

- a) Complete work on development of the special education 5-year plan. To date, other stakeholders' (parents, community, principal, etc.) input has been excluded. The input of these parties is essential to convert this administration and teacher-centered document into an action plan for the education of children with disabilities (BY CONSENSUS)
- b) MCPS should implement a cost-tiered decision making process for litigation activities. Periodic reviews should escalate to higher levels of management, as case-to-date costs escalate past defined thresholds (RETURNED TO SUBCOMMITTEE FOR FURTHER STUDY)
- c) Use of private investigators in special education matters raises questions as to maintenance of confidentiality of student information and harassment. Use of such tools should only be authorized with the specific knowledge of and authority of the Board of Education (NOT RECOMMENDED BY CONSENSUS)
- d) Increasing litigation costs have come at the expense of special education services. All savings resulting from decreased litigation must be reinvested in special education programs and services (RETURNED TO SUBCOMMITTEE FOR FURTHER STUDY)
- e) Modify the Procedural Safeguard Brochure and other documents to better inform parents of their right to file an IDEA complaint with the State Department of Education (BY CONSENSUS)

- f) Increase emphasis on the dispute resolution process called "Administrative Review" (BY CONSENSUS)
- g) Redouble efforts to maintain open, two way communication with the special education community (BY CONSENSUS)

SUMMARY

Much economic analysis must be done. This report is submitted as the final recommendations of the BRC for FY 99. As a committee, the ideas put forth in all reports deserve to be scrutinized and examined further. The overall message the committee delivered is that MCPS must change the manner in which it conducts business. MCPS must use its resources more efficiently and continue to strive to be more effective as it enters the 21st century.

Re: DISCUSSION

There was a dialogue between the subcommittee chairs and the Board of Education and Board members asked specific questions regarding recommendations and the process used to determine the ultimate decision. Listed below are follow ups from that dialogue:

1. Ms. Signer asked the Superintendent to provide the Board with cost savings in special education transportation since the cluster-based approach has been implemented. Also, she would like to know how travel times were changed for special education students using the cluster-based approach.
2. Ms. Signer asked the Superintendent to follow up on Number 7 in the Special Education Subcommittee's report (MCPS should request its non-public partners to assume responsibility for providing or contracting for transportation services and include those costs in their tuition and charge back to MCPS.). Also, she inquired if it is true, as some parents claim, that some special education buses are being used to transport just one student.
3. Ms. Signer asked the superintendent to explain how the Special Education Five-Year Plan and the classical review are tied together. She also asked for a timeframe for the classical review.

Re: ADJOURNMENT

The meeting was adjourned at 9:30 p.m.

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PRESIDENT

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SECRETARY

PLV:gr