



MEMORANDUM

To: Wendy Cherubini, Maine Office of Program Evaluation and Government Accountability (OPEGA)

From: Lawrence O. Picus on behalf of Lawrence O. Picus and Associates

Subject: **Revised Work Plan for Part 2 of the Independent Review of Maine's EPS Funding Act**

Date: May 20, 2103

This document provides a revised Work Plan for the Independent Review of Maine's EPS Funding Act based on our discussions with members of the Joint Education and Cultural Affairs Committee in April 2013 and further discussions with staff following those meetings. It focuses on clarification of our work related to funding distribution models and the relationship of school funding model fiscal capacity measures and individual district income levels, includes a new report on how other states address these issues, and clarifies our work in gathering stakeholder input and the case studies designed to understand the education strategies of improving schools. Note that deliverables 1 and 3 are new to the scope of work compared to the Work Plan submitted in November 2012 and deliverables 5 and 6 have been revised to clarify our work plans and adjust levels of effort to focus on the new deliverables.

PART 2 DELIVERABLES

1. Report on Alternative Fiscal Capacity Measures in School Funding Systems

This report will summarize alternative approaches used in other states to measure fiscal capacity of school districts. The intent of the report is to assess alternative measures of school district fiscal capacity, as well as to describe the approaches other states use to address the specific issue of high property wealth districts with low-income residents. The report will include a specific description of the funding system used in Vermont.

2. Recommendations for Recalibration of EPS based on EB model

This component of the study will produce an estimate of adequate educational resources for Maine's SAUs based on our Evidence-Based model as modified by feedback from the Joint Committee and from stakeholder groups as identified by and in consultation with the Joint Committee. We will develop an Excel-based spreadsheet that estimates educational resources at the SAU level for all SAUs in the state for the 2012-13 school year and provide a working copy of the model to OPEGA and to the Maine DOE.

3. Development of a Funding Distribution Model

This component of the study will establish a funding distribution model that works with the EB/EPS comparison model described in deliverable 2 above. Specifically we will compare the estimated EPS funding level with alternative EB funding levels (based on discussions with the Joint Committee and including Stakeholder input), and estimate the impact of alternative funding models on the relative state/local share of funding required for each alternative. The spreadsheet accompanying this memo provides a display of the anticipated comparisons that will be available to the Committee. We will develop summary tables as appropriate and as requested by the Joint Committee. As with the EB model we will provide a working copy of the model to OPEGA and to the Maine DOE.

4. Teacher Compensation Study, Part B

This study will develop and grow based on the findings of the Part A teacher compensation study (delivered April 1, 2013). As requested, Part A provided a summary of state efforts to change teacher compensation systems, and Part A also included core recommendations on the design and development of state teacher compensation programs. Following further discussions with the Joint Committee regarding the findings and recommendations in Part A, we will assess our recommendations as well as alternatives suggested by the Joint Committee in the context of the overall EPS funding system. We will emphasize new approaches being tried or discussed by states to change the overall teacher salary structure, with a focus on how various approaches impact incentives for teacher recruitment and retention, and how they might transform the salary structure into a mechanism that reinforces the core goals of the education system: improved instructional practice and improved student achievement.

5. Stakeholder Input

An important component of Part 2 of the independent review will be seeking feedback from the Joint Committee and from stakeholders into the direction of our recommendations and ensure the recommendations we make are responsive to Maine's policy makers and education stakeholders. We will coordinate our

efforts through the Joint Committee and plan to meet with the Joint Committee at the following approximate times (subject to the Committee's schedule):

1. In July 2013 we will meet with stakeholders across the state in a series of 4 professional judgment panel meetings along with 4 public forums to discuss the components of the EB model.
2. In August 2013 we will meet with the Joint Committee to discuss both the EB model and the implication of the distribution model on the school funding model.
3. We will meet with the committee and/or stakeholders one more time as needed before the end of October 2013.
4. We will present our findings to the Joint Committee at a mutually agreed upon time following submission of our December 1, 2013 final report.
5. If requested we will present our findings to the Legislature during its 2014 Legislative Session.

6. Case Studies of Improving Schools

As described in our proposal, we will conduct in-depth case studies in a sample of 5 schools that have shown strong improvements in student achievement in recent years. Although not specifically called for in the RFP, we have included these important case studies in our proposal because it is critical to determine the degree to which the strategies for improvement deployed by these institutions align with the Theory of Action built into the Evidence-Based model on which our resource distribution recommendations will initially be based, and the degree to which our model should be adjusted to reflect practices that are more effective in Maine. In identifying the sample of schools, we will work with the Committee, its staff and others as appropriate to help identify those schools that are making the most progress in improving student performance – not those with the highest test scores, but those with the largest consistent *gains* in student outcomes.

11. Final Report

Based on the findings from the ten deliverables described above, we will provide a final report to the Joint Committee and OPEGA. This document will include an executive summary of our findings and recommendations as well as the full reports.