

# Maryland Policy Report

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## IMPROVING EDUCATIONAL OPPORTUNITIES IN BALTIMORE CITY

*Expanding Public and Private School Choices*

**BY DAN LIPS**

### INTRODUCTION

ON MAY 17, 2008, 300 STUDENTS from across Maryland sought to be among the first 80 students to enroll in the SEED School of Maryland, a statewide college preparatory academy set to open in Baltimore in August 2008.<sup>1</sup> The lucky students were drawn through a lottery.

The *Baltimore Sun* reported that parents cried with joy when their children's number was called. Families with unlucky children whose numbers were not called were left shedding tears of disappointment. "It was a long shot...but it was a chance we had to take," explained Maurice Chandler, whose son was seen crying when he was not chosen.<sup>2</sup>

This scene is evidence of the crisis in Baltimore City's public schools, where a child's opportunity to attend a safe and effective school is left to chance. For more than a decade, state and local policymakers have sought to improve children's opportunities by reforming the city's beleaguered public school system. Those reforms have largely failed.

Despite expenditures of approximately \$11,000 per student in the school district, Baltimore City's public schools continue to under-perform.<sup>3</sup> A 2008 report published by America's Promise Alliance found that Baltimore City had the fourth lowest graduation rate of the nation's 50 largest cities—a rate of only 35 percent.<sup>4</sup> Only Cleveland, Indianapolis, and Detroit had lower graduation rates. On the Maryland State Assessment, only 56 percent of Baltimore City students scored "proficient" in reading and only 44 percent scored proficient in mathematics.<sup>5</sup>

In recent decades, efforts have been made at fundamental reform. In 1996, Baltimore Mayor Kurt L. Schmoke convened a task force on school choice, arguing: "It's time

to give all Baltimore parents the option to pull their children out of poorly-run schools and place them in schools where they believe their children will get a better education."<sup>6</sup> The Mayor's Task Force on School Choice recommended expanding public school choice in the Baltimore City district; however, no action was ever taken on the task force's recommendations.

Another attempt was made in 2006 when Gov. Robert L. Ehrlich and the Maryland State Board of Education announced that the state would take over seven poorly performing middle schools and four high schools in Baltimore City.<sup>7</sup> The Ehrlich administration pointed to authority granted by the federal No Child Left Behind (NCLB) program. Under NCLB, persistently low-performing public schools (those that miss state benchmarks for improvement for five or more years) are subject to restructuring, which can range from being re-opened as a public charter school, to replacing school staff, to being subject to new governance.

Baltimore City leaders, including then-Mayor Martin O'Malley, vehemently opposed the state's attempted takeover. The state legislature passed legislation to delay the takeover by a year and overrode Governor Ehrlich's subsequent veto.<sup>8</sup>

As another school year approaches, parents and taxpayers in Baltimore City and across Maryland should examine the performance of the city's public school system and reconsider the need for fundamental reform. This paper reviews the performance of the Baltimore City public school system. Specifically, it examines the current performance of the 11 low-performing schools that the state attempted to reorganize in 2006. The paper concludes by

offering city and state policymakers options for fundamental reforms to improve educational opportunities for all Baltimore students.

### **PUBLIC EDUCATION IN BALTIMORE CITY**

In 2007, taxpayers spent \$10,974 per pupil on every child in the Baltimore City public school system—\$600 more than the statewide average of \$10,371.<sup>9</sup> This means that a child entering kindergarten in Baltimore City can expect to have more than \$130,000 invested on his or her education by taxpayers if he or she stays through high school.<sup>10</sup>

However, statistics suggest that many children currently enrolled in Baltimore City's public schools will not receive a quality education in spite of that investment.

The Maryland State Department of Education reports

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that the high school graduation rate in Baltimore City was 60 percent in 2007.<sup>11</sup> However, there is reason to believe that the estimate is too high. An independent evaluation of graduation rates in the nation's largest cities reported that only 35 percent of Baltimore City students graduate from high school.<sup>12</sup>

Test scores show that a majority of Baltimore City students fail to attain proficiency on the Maryland School Assessment exam. For example, in 2008, 49 percent of Baltimore City's 8th graders scored "proficient" or "advanced" on the MSA reading examination, and 51 percent scored "basic." Across the state, nearly 73 percent of 8th graders scored "proficient" or "advanced" on the MSA reading test; only 27 percent earned the lowest score of "basic."<sup>13</sup> In mathematics, 28 percent of Baltimore City's public school students scored higher than basic on the 2008 MSA exam, as compared to 62 percent across the state.<sup>14</sup> What does attaining a score of "basic" mean on the Maryland School Assessment? In reading, an 8th grade student who scores "basic" likely cannot "cite adequate textual evidence to support or explain ideas about a text" or "identify a main idea" after reading a passage.<sup>15</sup>

### **REVISITING THE 2006 REORGANIZATION ATTEMPT**

To understand the chronic problems in the Baltimore City public school system, it is helpful to revisit the 2006 effort to take over 11 struggling public schools. As discussed above, the state legislature prevented the Ehrlich administration from reorganizing the schools. The result has been that these 11 schools remained open, with little reform implemented over the past two years. As Table 1 shows,

there has not been dramatic improvement in these schools' test scores on the MSA reading or math exams. Over the past three years, none of the schools have achieved a proficiency level of greater than 50 percent.

### **POLICY RESPONSE**

As another school year approaches, Maryland policymakers and city leaders must reevaluate the current governance of public education in Baltimore City. They should consider the following three recommendations to foster systemic reform in the city's schools:

#### **Recommendation #1: Allow More Public Charter Schools**

In 2003, Governor Ehrlich signed the Maryland Public Charter School Act, giving local school boards the power to authorize the creation of public charter schools. Charter schools are publicly-funded schools that agree to meet certain performance standards set by an overseeing chartering authority—in Maryland's case, a local board of education. But charter schools are otherwise free from the bureaucratic rules and regulations that encumber traditional school systems.

Under this relationship, charter schools have the freedom to find the best teaching methods to meet educational goals. Families can choose to send their children to the charter schools or keep them in traditional schools. As long as evaluators find that a charter school is meeting its performance goals and parents believe it is providing their children a quality education, the school stays open.

Over the past five years, the number of charter schools that have been opened has grown steadily. According to the Maryland State Department of Education, there are currently 30 charter schools serving more than 7,200 students across the state.<sup>16</sup> Four new schools are scheduled to open during the 2008 school year.<sup>17</sup>

In Baltimore City, a number of charter schools have proven to be models for success—outperforming district (and in some cases, state) averages on the Maryland School Assessment tests. The followings are examples of high-performing charter schools in Baltimore City:

**KIPP Ujima Village Academy:** The KIPP Ujima Village Academy is the highest performing middle school in Baltimore City and one of the highest achieving schools in all of Maryland. Ujima Village Academy is one of 57 KIPP schools across the country that embraces the "Knowledge is Power Program" curriculum. KIPP schools offer students a longer school day and curriculum designed to prepare them to attend college.<sup>18</sup>

In 2007, 83 percent of Ujima Village 8th graders scored "proficient" on the MSA reading exam, compared to Baltimore City and Maryland State averages of 44 percent and 68 percent respectively.<sup>19</sup> On the math exam, 98 percent of students attained proficiency compared to City and state-

TABLE 1 PERCENTAGE OF STUDENTS SCORING PROFICIENT, 2005-2007

	READING			MATH		
HIGH SCHOOLS	2005	2006	2007	2005	2006	2007
FREDERICK DOUGLAS	16	25	21	5	12	11
NORTHWESTERN	18	23	28	9	19	14
SOUTHWESTERN	8	3	14	4	6	5
PATTERSON	16	23	37	10	27	31
MIDDLE SCHOOLS						
CALVERTON	28	30	35	5	8	14
CHINQUAPIN	46	41	43	20	21	25
DIGGS-JOHNSON	34	38	37	17	16	15
DR. ROLAND PATTERSON	26	31	33	14	21	28
HAMILTON	36	42	46	18	19	27
THURGOOD MARSHALL	23	21	34	4	6	14
WILLIAM H. LEMMEL	40	40	37	21	18	21
BALTIMORE CITY AVERAGE	49	51	56	34	41	44
MARYLAND STATE AVERAGE	70	72	75	63	69	70

Source: Scores accessed at [www.SchoolDataDirect.org](http://www.SchoolDataDirect.org), percentages rounded to the nearest whole number.

wide averages of 24 percent and 57 percent.<sup>20</sup> Importantly, KIPP Ujima Village Academy enrolls a higher percentage of economically disadvantaged students (86 percent) than either Baltimore City (71 percent) or the state (32 percent).<sup>21</sup>

**Empowerment Academy:** Launched in 2005, the Empowerment Academy is a public charter school that will ultimately serve students in grades kindergarten through eight. In 2007, 80 percent of fifth graders at Empowerment Academy scored proficient in reading compared to averages of 60 percent in Baltimore City and 77 percent across Maryland.<sup>22</sup> In math, fifth graders also outperformed City and statewide averages, with 90 percent scoring proficient compared to 64 percent and 78 percent respectively.<sup>23</sup>

**Midtown Academy:** Like students at KIPP Ujima Village and Empowerment Academy, students at Midtown Academy have also outperformed students throughout Baltimore City. In 2007, students at Midtown in grades three through eight outper-

formed the Baltimore City district averages in reading and math proficiency rates with one exception (seventh grade math).<sup>24</sup> Midtown Academy's third- and fourth-graders also bested statewide averages in both reading and math proficiency rates.

Not all public charter schools in Baltimore City have proven to be as successful. In 2008, the Baltimore City school board placed five charter schools under a performance watch to determine whether their charters will be renewed in 2010.<sup>25</sup> If the schools' test scores do not improve, their charters will be revoked and the schools will be closed.

This oversight is welcome. The nature of the charter school process is that, like any business, some will succeed and others will fail. That some low-performing charter schools may be closed if they do not demonstrate successful performance is an important aspect of the charter relationship. However, Baltimore City parents should ask why only charter schools are closed if they fail to improve over time, and why many low-performing public schools are allowed to remain open perpetually without consequence.

If Maryland had a stronger charter school law, more charter schools would be allowed to open and models of success

like KIPP Ujima Village Academy could be imitated by others. The Center for Education Reform, a national non-profit organization that supports charter schools, reports that Maryland has the ninth weakest charter school law (weakest meaning those that are least supportive of charter schools) of the nation's 41 states with laws providing for charter schools.<sup>26</sup>

To strengthen its charter school law, Maryland could reform the 2003 legislation to increase the avenues for schools to receive a charter by allowing the State Board of Education and universities to become charter authorizers.<sup>27</sup> The state could also reform the law to ease regulatory restrictions on charter schools to offer school leaders the maximum autonomy so that they can innovate and create a successful school model.

**Recommendation 2: Offer Public School Autonomy and Universal Choice** In addition to expanding charter school options, Baltimore City policymakers and Maryland state legislators could improve educational opportunities by implementing widespread public school choice and granting public schools more autonomy.

Mayor Schmoke's 1996 Task Force on School Choice recommended an end to neighborhood-based enrollment and supported widespread choice among public schools.<sup>28</sup> However, 12 years later, neighborhood-based school assignment remains the norm in Baltimore City. The Baltimore City Public School System explains how a child's school is determined: "Generally, a student entering the BCPSS for the first time must enroll in the zoned school, based on his/her legal residence, which is usually the address of the parent or legal guardian."<sup>29</sup> This means that whether a child attends a safe and effective school is based largely on where he or she happens to live. Generally, location-based school assignment results in a situation where children who live in the poorest neighborhoods attend the lowest quality schools. Importantly, since low-income families typically cannot afford to move or pay tuition at a private school and therefore have no choice but to enroll their child in the neighborhood school, low-performing schools do not have the incentive to improve their performance or risk watching children transfer into higher-performing schools.

Across the nation, a growing number of states and communities have implemented policies to offer families choice throughout the public school system. One increasingly-favored reform approach is to implement the "weighted student formula" (WSF) approach to school finance.<sup>30</sup>

Under the WSF, schools receive government funding based on student enrollment and each student's individual characteristics. (Children with special education needs, for instance, receive higher per-student funding.) Parents are then free to choose the best school that meets their child's needs, with funding following their child to the chosen school. School leaders and principals are granted greater autonomy to set a mission for their school and allocate resources to best meet student needs.

The WSF approach to school finance is being embraced across the nation. San Francisco implemented the WSF plan to allow decentralization and greater choice among public schools in 2001. According to education scholar Lisa Snell of the Reason Foundation, the reform has led to widespread improvement in the school district.<sup>31</sup> In recent years, New York City has also implemented a WSF system.<sup>32</sup>

Baltimore City appears to be taking steps toward implementing WSF. In 2008, Dr. Andres Alonso, the CEO of Baltimore City Public Schools, unveiled a plan for "Fair Student Funding" to decentralize the way that resources are allocated in the city's public schools. He explained the proposed change in an open letter to the public: "Baltimore City's current process for disbursing money is hard to understand, complicated, and frequently unfair. Starting in the 2008-09 school year, all schools will receive funding

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based on the number of students they have, with extra dollars depending on those students' needs. This way, dollars follow the student, and the same amount of public money is invested in the education of students with the same characteristics. This is a fair and simple way to help schools get better results for our kids."<sup>33</sup>

If implemented, this reform will improve transparency in school finance and encourage greater school autonomy. However, it will not deliver the full benefits of decentralization unless parents are given the choice of where their children attend school. The third pillar of Dr. Alonso's "key principles" for reform is to ensure that families are partners in the city's school system: "Families and members of school communities will be at the heart of all of our efforts to make schools great," he wrote.

If families are truly to be made partners in the process of school improvement, they must have greater power to decide where their children attend school. Only when parents have the power to transfer their children to another school will they truly have the ability to hold their public schools accountable for results. By pairing decentralization of school autonomy and decision-making with widespread public school choice, Baltimore City would create a reform environment where schools are encouraged to compete, innovate, and deliver results that best meet students' needs.

**Recommendation #3: Implement Private School Choice in Baltimore City** Baltimore City and Maryland policy-makers should also offer City families the opportunity to use a portion of their child's share of public education funding to choose a private school for their children.

Across the nation, a growing number of states and cities are offering private school choice options. In 2008, 13 states and the District of Columbia are supporting private school choice.<sup>34</sup> Approximately 150,000 children are using publicly funded scholarships to attend private school.<sup>35</sup> Private school choice programs can lead to a number of positive benefits, including improved parental satisfaction, higher test scores, and improved public school performance as a result of greater competition.<sup>36</sup>

How could Maryland and Baltimore City offer private school choice options to families? Policymakers have many options. For example, in 2005, the Maryland Public Policy Institute and the Milton and Rose D. Friedman Foundation offered a proposal for a school voucher program in Baltimore City.<sup>37</sup> Inspired by similar voucher programs in cities like Milwaukee and Cleveland, this plan (once fully phased-in) would offer tuition scholarships to 10,000 children living in Baltimore City. The plan was designed to be revenue-neutral for the school district.

Another option for expanding school choice would be to create state income tax credits to encourage taxpayers to make donations to fund private school scholarships.<sup>38</sup> The Maryland state legislature is currently considering the BOAST Tax Credit proposal, which would help expand private school choice in the state.<sup>39</sup> Under the BOAST program, Maryland businesses would be able to claim a 75 percent state tax credit for donations made to non-profit organizations that support education. The program would be capped at \$5 million per year. In all, \$3 million would be available to provide tuition scholarships to private schools. The remaining \$2 million would be available for donations that benefit public schools.

If passed, the BOAST tax credit program would help families in Baltimore City choose private schools for their children. While this support would initially only help a modest number of students attend private schools, there is reason to believe that the amount of available scholarship money would increase in future years. In Pennsylvania and Florida, similar education tax credit programs have been expanded to allow more donations. Thus, the BOAST tax credit would be an important first step toward expanding school choice options in Maryland.

By implementing policies like tuition scholarships, vouchers, or education tax credits, policymakers could allow Baltimore City parents the option of choosing the best public or private school for their children. Giving families this flexibility would ensure that more children attend a school that their parents believe will be effective for them and encourage greater competition and innovation among school providers.

## CONCLUSION

Baltimore City has long had one of the poorest-performing school systems in the country. According to a recent national estimate, only 35 percent of Baltimore City students graduate high school. Test scores reveal that a majority of the city's public school eighth grade students fail to reach "proficiency" in reading and math on the Maryland School Assessment examination.

For years, state and local policymakers have resisted proposals to implement aggressive education reforms in Baltimore City. The time has come to encourage innovation and improvement in the school system by giving parents greater freedom to choose their child's school and giving school leaders and teachers greater power to create successful school models. This can be done by implementing three fundamental reforms: strengthening Maryland's charter school law, implementing widespread public school choice in Baltimore City, and offering private school choice options.

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