

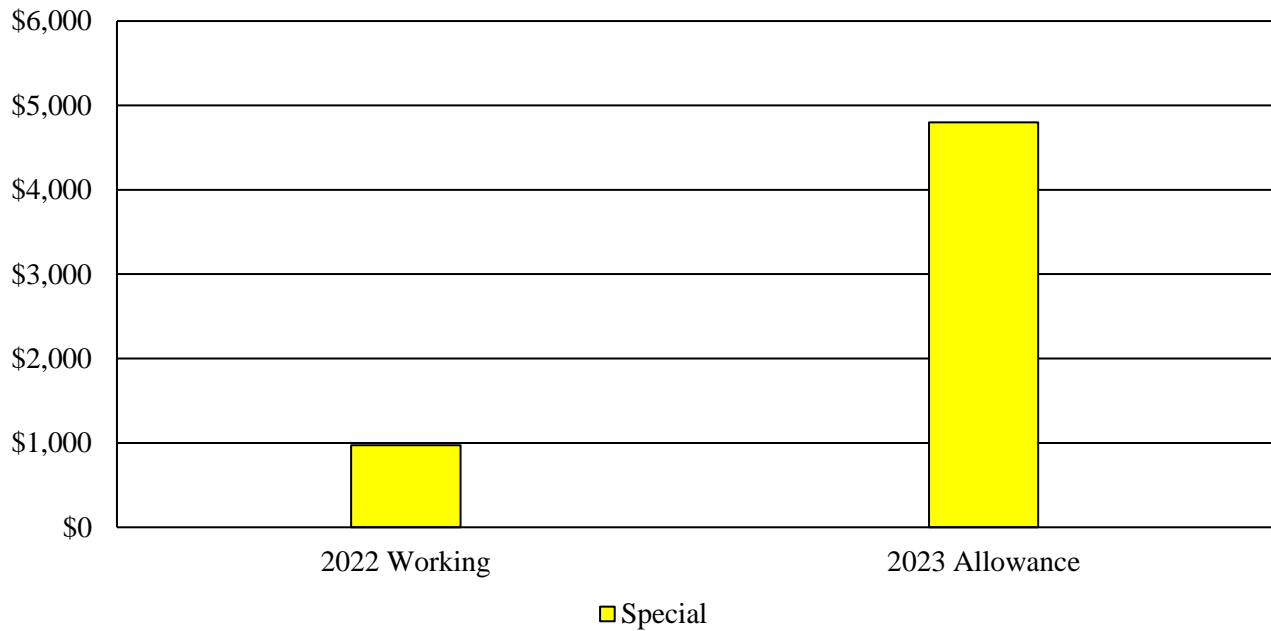
R00A09
Accountability and Implementation Board

Program Description

The Accountability and Implementation Board (AIB) was established as part of Chapter 36 of 2021. AIB is an independent agency responsible for oversight of Blueprint for Maryland’s Future program implementation and evaluation of its outcomes. AIB is led by a seven-member board appointed by the Governor for staggered terms of six years.

Operating Budget Summary

**Fiscal 2023 Budget Increases \$3.8 Million, or 393.4%, to \$4.8 Million
(\$ in Millions)**



Note: The fiscal 2022 working appropriation includes deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

- AIB is funded through the Blueprint for Maryland’s Future Fund, which is a special fund created as part of Chapter 36. AIB’s fiscal 2022 working appropriation is approximately \$1.0 million, and the agency receives its minimum mandated funding of \$4.8 million in the fiscal 2023 proposed budget.

Fiscal 2022

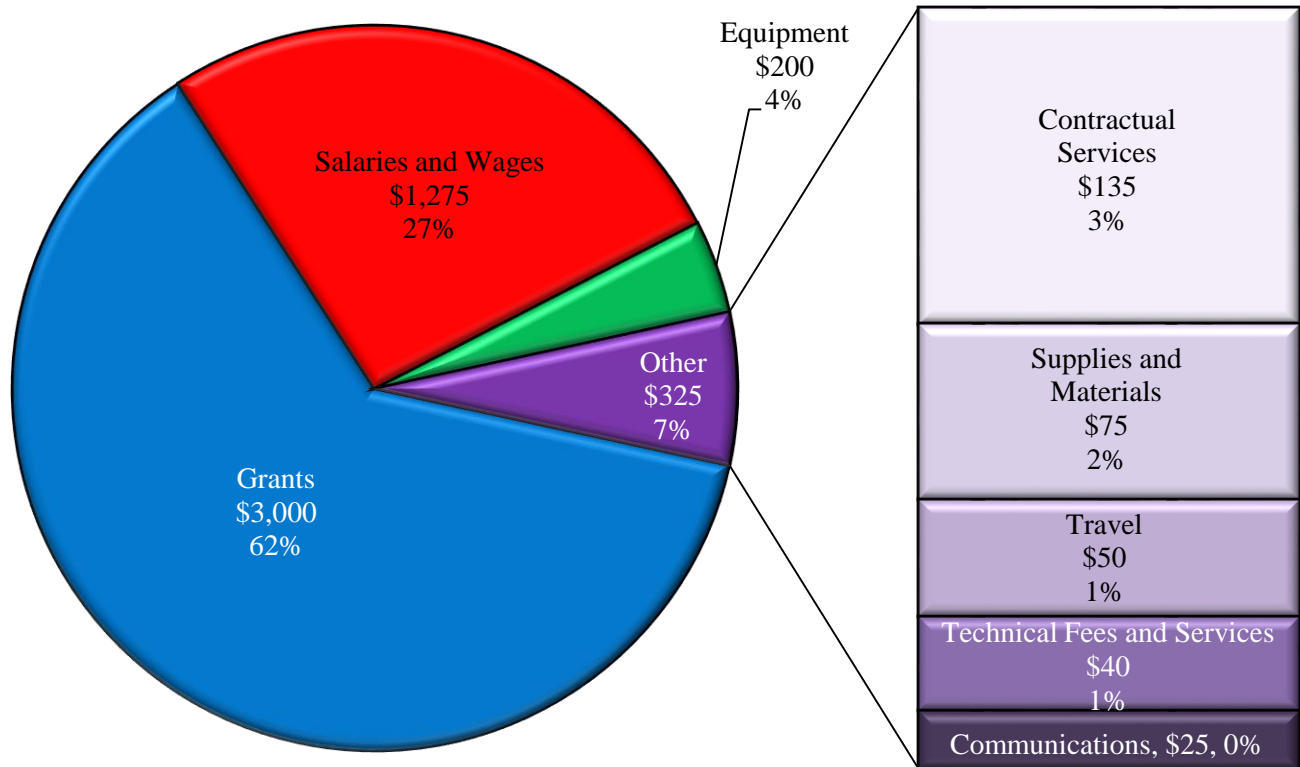
Proposed Deficiency

Chapter 356 of 2021 included an appropriation of up to \$4.8 million for AIB from sports wagering revenues to the Blueprint for Maryland’s Future Fund, if and when those revenues became available. Two fiscal 2022 budget amendments appropriated a total of \$1.35 million in gaming revenue to the board for initial operating expenses. The Governor’s budget plan provides an additional allocation of 5 positions and \$280,000 through a deficiency appropriation, bringing the total working appropriation to \$1.6 million.

Fiscal 2023 Overview of Agency Spending

In the fiscal 2023 proposed budget, AIB’s receives a total of \$4.8 million. **Exhibit 1** displays this budget by object.

Exhibit 1
Overview of Agency Spending
Fiscal 2023 Allowance
(\$ in Thousands)



Source: Governor’s Fiscal 2023 Budget Books

Proposed Budget Change

From fiscal 2022 to 2023, AIB’s proposed budget increases by \$3.8 million, or 393.4%, from \$973,000 to \$4.8 million. The agency’s sole funding source is special funds from the Blueprint for Maryland’s Future Fund. These changes do not reflect funding for statewide personnel actions, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments. **Exhibit 2** displays these changes.

Exhibit 2
Proposed Budget
Accountability and Implementation Board
(\$ in Thousands)

| How Much It Grows: | <u>Special Fund</u> | <u>Total</u> |
|-----------------------------------|----------------------------|---------------------|
| Fiscal 2021 Actual | \$0 | \$0 |
| Fiscal 2022 Working Appropriation | 973 | 973 |
| Fiscal 2023 Allowance | <u>4,800</u> | <u>4,800</u> |
| Fiscal 2022-2023 Amount Change | \$3,827 | \$3,827 |
| Fiscal 2022-2023 Percent Change | 393.4% | 393.4% |

| Where It Goes: | <u>Change</u> |
|--|----------------------|
| Personnel Expenses | |
| Regular earnings for 10 new positions | \$1,033 |
| Employee and retiree health insurance | 265 |
| Social Security | 90 |
| Workers' compensation premium assessment | 3 |
| Turnover adjustments | -326 |
| Other Changes | |
| Grants and contributions | 3,000 |
| Equipment | 130 |
| Supplies and materials | 75 |
| Travel | 50 |
| Training and staff development | 40 |
| Communications | 25 |
| Contractual services | -558 |
| Total | \$3,827 |

Note: Numbers may not sum to total due to rounding.

Personnel Data

| | <u>FY 21</u> <u>Actual</u> | <u>FY 22</u> <u>Working</u> | <u>FY 23</u> <u>Allowance</u> | <u>FY 22-23</u> <u>Change</u> |
|------------------------|---|--|--|--|
| Regular Positions | 0.00 | 5.00 | 15.00 | 10.00 |
| Contractual FTEs | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| Total Personnel | 0.00 | 5.00 | 15.00 | 10.00 |

Vacancy Data: Regular Positions

| | | |
|---|------|-----|
| Turnover and Necessary Vacancies, Excluding New Positions | 0.00 | n/a |
| Positions and Percentage Vacant as of 12/31/21 | n/a | n/a |
| Vacancies Above Turnover | 0.00 | |

- The fiscal 2023 proposed budget provides AIB 15 regular positions. According to the fiscal note for Chapter 36, this allowance assumes the following personnel:
 - 1 executive director;
 - 2 deputy directors;
 - 2 assistant Attorneys General; and
 - additional programmatic, fiscal, and support staff.
- This allowance also includes approximately \$250,000 annually for consultants to evaluate the implementation of the Blueprint for Maryland’s Future, including the required independent evaluations.
- Because AIB is a new agency that received a deficiency allocation to fund 5 new positions in fiscal 2022, the agency hired an executive director in February 2022 and has plans to hire additional personnel in calendar 2022.

Key Observations

1. AIB Convenes Despite Limited Revenues in Fiscal 2022

With the veto override of Chapter 36 and subsequent passage of Chapter 55 during the 2021 legislative session, AIB started work on monitoring and oversight of Blueprint for Maryland's Future implementation. The AIB nominating committee, whose six members are appointed to a five-year term, nominated a full slate of seven members who were confirmed by the Governor in September 2021. AIB members are appointed for staggered terms, with terms of all initial members expiring by July 1, 2026. AIB convened its first meeting on November 15, 2021, and per Chapter 55, will continue its work until June 30, 2032. For detailed information on the purpose, charge, membership, and responsibilities of the AIB, see **Appendix 1**.

Limited Revenues for Fiscal 2022 Operations

Chapter 36 requires the Governor to allocate a minimum of \$4.8 million and 15 PINs for AIB from the Blueprint for Maryland's Future special fund starting in fiscal 2023. This includes \$1.8 million to support the board's operations and \$3.0 million to provide technical assistance to county boards to develop and implement Blueprint for Maryland's Future requirements. These funds are included in the Governor's fiscal 2023 proposed budget.

AIB funding in fiscal 2022 is dependent on the transfer of gaming revenues to the agency as required in Chapter 356. To date, AIB has received one supplementary appropriation of approximately \$700,000 and an additional deficiency appropriation in the fiscal 2023 proposed budget for approximately \$300,000 and 5 PINs. These funds have allowed the agency to hire an executive director in February 2022 but do not represent the full complement of funding necessary for the agency to meet its calendar 2022 statutory reporting requirements.

Further revenues in fiscal 2022 depend on the availability of gaming proceeds through supplementary appropriations. In a letter to the presiding officers dated February 16, 2022, AIB indicated that nearly all the \$4.8 million mandated appropriation from the fantasy sports and sports betting revenues was expected to be realized by the end of the current fiscal year; however, due to the timing, it is not anticipated that the board will be able to make full use of the funds. Any funds unexpended and unencumbered by AIB will be returned to the Blueprint for Maryland's Future Fund. In the letter, AIB requested that the legislature consider allowing the funds to be carried over to fiscal 2023.

New Timetable for Agency Work

AIB has certain responsibilities, which fall into four distinct areas: implementation of plans and use of funds; oversight and training; monitoring performance and evaluations; and consultation and collaboration. Chapters 36 and 55 also require AIB to meet certain reporting requirements. However, with the Governor's veto and the need for legislative override in the 2021 session, not only has implementation of Blueprint for Maryland's Future programs been delayed by one year, but the

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establishment of AIB as an independent agency and AIB’s oversight of Blueprint for Maryland’s Future implementation has been unavoidably delayed. Despite these concerns, AIB has met nine times since November 2021 to conduct a detailed review of its role, responsibilities, and Blueprint for Maryland’s Future statutory requirements.

The agency recently discussed these delays and proposed a revised timeline for upcoming reporting requirements. **Exhibit 3** provides this revised timeline.

Exhibit 3
Proposed Timetable for Reporting Requirements
Calendar 2022-2030

| <u>Report</u> | <u>Date</u> | <u>Action</u> |
|--|--------------------------------|---|
| Comprehensive Implementation Plan | March 2022 to June 2022 | <ul style="list-style-type: none">• Draft implementation plan• Identify key activities and milestones for the 2022-2023 school year |
| | July 2022 to September 2022 | <ul style="list-style-type: none">• Provide LEAs with technical and training assistance on local implementation plans• Hold public plan development sessions |
| | October 2022 | <ul style="list-style-type: none">• Adopt draft and make available for public comment• Review MSDE’s plan and approve criteria |
| | December 2022 | <ul style="list-style-type: none">• Adopt plan and approve of MSDE criteria• <i>Original deadline February 2022</i> |
| | March 2023 | <ul style="list-style-type: none">• LEAs submit implementation plans to AIB for approval |
| Interim Report | November 2022 (annually) | <ul style="list-style-type: none">• First annual report on AIB progress; subsequent annual reports due in November |
| Blueprint Interim Evaluation Report | October 2024 | <ul style="list-style-type: none">• Contract with a public or private entity to conduct an independent evaluation of the State’s progress in Blueprint implementation and meeting the intended outcomes |
| Report on Teacher Diversity | December 2026 | <ul style="list-style-type: none">• In consultation with MLDSC, evaluate the effectiveness of efforts to increase diversity in teacher preparation programs and teachers and school leaders in the State. |
| Final Blueprint Evaluation Report | December 2030 | <ul style="list-style-type: none">• Final report to include recommendations on whether AIB should continue to monitor Blueprint implementation after June 30, 2032. |

AIB: Accountability and Implementation Board
LEA: local education agency
MLDSC: Maryland Longitudinal Data System Center
MSDE: Maryland State Department of Education

Source: Accountability and Implementation Board; Department of Legislative Services

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At AIB’s most recent meeting, the agency documented additional activities and benchmarks for the coming two years to meet statutory requirements. These actions include:

- hiring and training of AIB staff;
- establish an advisory committee;
- create a formal communication plan and working protocols for Blueprint for Maryland’s Future implementation partners;
- provide training to the Maryland State Department of Education’s and the Career and Technical Education Committee’s expert review teams; local education agencies (LEA); members of the State Board; and other key stakeholders; and
- develop a Blueprint for Maryland’s Future outreach program.

Establishing Performance Measures

AIB is an independent unit of State government designed to hold other units of government accountable for implementing the Blueprint for Maryland’s Future and evaluating the outcomes of the Blueprint for Maryland’s Future during the implementation period. AIB is tasked with examining data, including patterns in student outcomes and changes in achievement gaps between specific student subgroups and the makeup of public schools, in order to determine if the Blueprint for Maryland’s Future is working as intended. In addition, AIB is granted the authority to withhold a portion of the increase in the State share of major education aid provided through Chapter 36 for jurisdictions determined to be nonresponsive or not in compliance with statutory requirements during the implementation period.

Reporting of performance measures is a primary tool in the legislature’s ability to monitor how well an agency is achieving its assigned mission. **Therefore, the Department of Legislative Services recommends committee narrative directing AIB to create Managing for Results measures and submit other information relevant to agency activities and benchmarks.**

Operating Budget Recommended Actions

1. Concur with Governor’s allowance.
2. Adopt the following narrative:

Status Report on Managing for Results (MFR) Measures: Because the Accountability and Implementation Board (AIB) is a new agency, the budget committees are concerned that the agency does not yet MFR measures. The budget committees request that, by December 1, 2022, AIB submit proposed MFR measures for the agency’s fiscal 2024 budget.

| Information Request | Author | Due Date |
|-------------------------------|---------------|------------------|
| Status report on MFR measures | AIB | December 1, 2022 |

Appendix 1

Description of Accountability and Implementation Board

Purpose and Charge

The rationale for AIB was founded on lessons learned from the implementation of recommendations of the Commission on Education Finance, Equity, and Excellence (Thornton Commission, 1999 to 2001), which asked Maryland taxpayers to substantially increase spending on education to improve the student performance outcomes. In the following 15 years, the cost of education in Maryland increased substantially but without significant increases in student performance. One of the goals of the subsequent Commission on Innovation and Excellence in Education (Kirwan Commission, 2016 to 2019) was to examine this result and find a solution that increased both governance and accountability for the next revision of Maryland’s education funding model and policies.

After studying other top-performing countries, the Kirwan Commission realized that Maryland needed a governmental mechanism that coordinated functions across departments responsible for educational excellence. This charge fell under the Kirwan Commission’s Policy Area 5, Governance and Accountability, which was included as a goal to ensure gaps that developed between policy and practice after the Thornton Commission did not materialize after Kirwan Commission recommendations were implemented. The Kirwan Commission recommended an independent board or unit of State government that worked across agencies responsible for the education of Maryland students and had the authority to ensure that the Commission’s recommendations were successfully implemented and produced the desired results. In keeping with this charge, Chapters 36 and 55 established AIB to:

- develop a comprehensive implementation plan, including intended outcomes, for Blueprint for Maryland’s Future that all units of State and local government will follow;
- hold State and local governments accountable for this plan;
- monitor the plan and ensure that it is implemented; and
- evaluate outcomes achieved during implementation.

As part of this charge, AIB is intended to provide equal access to a high-quality education with equitable outcomes for each student regardless of the student’s race, ethnicity, gender, address, disability status, socioeconomic status, or the language spoken in the student’s home.

Roles and Responsibilities

As an independent unit of State government, AIB’s role is to oversee and monitor State educational agencies and LEAs in implementing Blueprint for Maryland’s Future policies. In this role, AIB has plenary authority, which means that in the event of a conflict between AIB and other agencies,

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AIB’s decision or policy is considered final. AIB has the authority to adopt regulations to carry out provisions of the law; adopt bylaws for the conduct of its business; sue or be sued; accept loans, grants, or assistance of any kind; enter into contracts as necessary, including with independent experts to fulfill its duties; subpoena data needed to complete its functions and duties; and appoint an executive director and hire staff to carry out its powers and duties. State agencies are required to collaborate or consult with AIB on Blueprint for Maryland’s Future implementation, and AIB can withhold state funds from LEAs and State agencies if a plan is not being implemented as requested. AIB can also develop appeals processes, monitor LEA expenditures to ensure that minimum school funding requirements are being met, and offer grants for innovative programs that further AIB’s purpose or goals.

AIB is not intended to usurp or abrogate the operational authority of agencies that are also involved in the delivery of public education in the State or the lawful collective bargaining process. It is subject to the Public Information Act, the Open Meetings Act, and the Maryland Public Ethics Law, and members will be required to file an annual financial disclosure form with the State Ethics Commission. Open meetings of the AIB must be made available to the public through live video streaming and archived on the Internet for at least five years.

Membership

Chapter 36 details the criteria for nomination and membership of AIB. The Governor, the President of the Senate, and the Speaker of the House jointly appoint the AIB chair, and members serve six years, which are staggered for initial members as follows: three terms expire July 1, 2024; two terms expire July 1, 2025; and two terms expire July 1, 2026.

**Appendix 2
Object/Fund Difference Report
Accountability and Implementation Board**

| <u>Object/Fund</u> | <u>FY 21 Actual</u> | <u>FY 22 Working Appropriation</u> | <u>FY 23 Allowance</u> | <u>FY 22 - FY 23 Amount Change</u> | <u>Percent Change</u> |
|---|-------------------------|--|----------------------------|--|---------------------------|
| Positions | | | | | |
| 01 Regular | 0.00 | 5.00 | 15.00 | 10.00 | N/A |
| Total Positions | 0.00 | 5.00 | 15.00 | 10.00 | N/A |
| Objects | | | | | |
| 01 Salaries and Wages | \$ 0 | \$ 0 | \$ 1,275,000 | \$ 1,275,000 | N/A |
| 02 Technical and Special Fees | 0 | 0 | 40,000 | 40,000 | N/A |
| 03 Communication | 0 | 0 | 25,000 | 25,000 | N/A |
| 04 Travel | 0 | 0 | 50,000 | 50,000 | N/A |
| 08 Contractual Services | 0 | 692,886 | 135,000 | -557,886 | -80.5% |
| 09 Supplies and Materials | 0 | 0 | 75,000 | 75,000 | N/A |
| 10 Equipment – Replacement | 0 | 0 | 200,000 | 200,000 | N/A |
| 12 Grants, Subsidies, and Contributions | 0 | 0 | 3,000,000 | 3,000,000 | N/A |
| Total Objects | \$ 0 | \$ 692,886 | \$ 4,800,000 | \$ 4,107,114 | 592.8% |
| Funds | | | | | |
| 03 Special Fund | \$ 0 | \$ 692,886 | \$ 4,800,000 | \$ 4,107,114 | 592.8% |
| Total Funds | \$ 0 | \$ 692,886 | \$ 4,800,000 | \$ 4,107,114 | 592.8% |

Note: The fiscal 2022 working appropriation does not include deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.