



The Research Bureau

Questions for the 2011 Candidates for City Council and School Committee in Worcester

Report 11-05
September 2011

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CITY COUNCIL

Should Worcester lower its commercial-industrial tax rate?

Massachusetts General Laws Chapter 59 allows cities and towns to tax residential and commercial and industrial properties at different rates. This allows communities to shift some of the tax burden from homeowners to businesses. About 100, or 30% of Massachusetts municipalities, including Worcester, tax commercial and industrial properties at a higher rate than residential properties.

Worcester has had a “split” tax rate since FY84. In FY11, the City Council voted not to shift the maximum amount to commercial and industrial owners, a departure from prior years. But, Worcester’s commercial-industrial property tax rate is still more than twice its residential rate (\$34.65 vs. \$16.06 per \$1,000 valuation), and the fifth-highest in the Commonwealth. Worcester has the highest commercial-industrial rate in Central Massachusetts as well as one of the highest residential rates (**Table 1**).

Table 1: FY11 Tax Rates in Central Massachusetts Communities

	Residential		Commercial
Shrewsbury	\$10.67	Shrewsbury	\$10.67
Leicester	\$12.44	Leicester	\$12.44
Grafton	\$13.63	Grafton	\$13.63
Berlin	\$13.89	Millbury	\$14.55
Marlborough	\$13.94	Upton	\$14.64
Clinton	\$14.13	Berlin	\$14.84
Hudson	\$14.16	Northborough	\$15.11
Millbury	\$14.55	Holden	\$15.65
Upton	\$14.64	Westborough	\$18.24
Northborough	\$15.11	Auburn	\$24.33
Milford	\$15.22	Milford	\$26.05
Auburn	\$15.38	Hudson	\$26.19
Holden	\$15.65	Clinton	\$27.36
Worcester	\$16.06	Marlborough	\$27.55
Westborough	\$18.24	Worcester	\$34.65

Source: Massachusetts Department of Revenue

Do you support the use of tax incentives to stimulate economic development?

In recent years, Worcester has made aggressive use of tax incentives a central element in its economic development strategy. Among the most notable projects begun or completed over the past decade, it is difficult to find an example of a purely for-profit development that has not received some form of tax relief from the City.

The most common tax incentive is the tax-increment financing or TIF program. With the TIF, the City agrees to waive a portion of the increase in property taxes that accrues as a result of the new investment (either new construction or improvements to an existing property). The TIF also makes the developer automatically eligible for a state investment tax credit of up to 10% the value of its capital investment.

There are 19 TIFs currently active on projects in the City. On these projects, Worcester has waived anywhere from 1% to 100% of the incremental value of the property, in exchange for promises to create jobs. Some projects have received TIFs for promising to create over 200 jobs, some for as few as one job.

Tax incentives are controversial. Critics argue that tax incentives, and in particular TIFs are unfair, ineffective, and that Worcester does not need to rely on them to the degree that it does.

Massachusetts' TIF program was created in 1993, in theory, as a way to encourage job creation and new investment in economically distressed areas. But both MassINC¹ and the *Boston Globe*² have shown that, in practice, the result has been much different. For one, the definition of "economically distressed" has proven so expansive as to become almost meaningless. Wealthy communities such as Hingham and Boxborough have been able to use the TIF, as well as Lawrence, Fitchburg and Fall River. Second, TIFs have granted tax breaks to projects that don't seem to have needed them and may have gone forward without them. Projects long underway, and, in some cases, projects that had already been completed, have received TIFs. While developers must promise to create a certain number of jobs in exchange for the tax break, there

is rarely a penalty for non-compliance. In fact, some companies have actually *cut* jobs after being granted a TIF.³

Proponents counter that the TIF allows projects to move forward that would never succeed under pure free-market conditions. Development in Worcester faces many challenges, including environmental contamination, aging infrastructure, a per capita income below the state average, an unemployment rate above the state average, and one of the highest commercial and industrial tax rates in the state. Although unassisted, fully taxable development is ultimately preferable, it may be impractical in Worcester.

What is your vision for Worcester Regional Airport and does it include an east-west connector between the airport and interstate highways?

In accordance with the framework established by the Comprehensive Transportation Reform Act of June 2009, Massport purchased Worcester Airport from the City in 2010.⁴ The Research Bureau had advocated transfer of the airport to Massport for many years. The City could not afford the airport, it lacked Massport's technical expertise, and Massport had been operating the airport, investing in it, and assuming a significant share of its fiscal deficit since 1999. Airports are regional assets, and

so it makes no more sense for a city to own an airport than a highway or rail system.

Commercial air service at Worcester Regional Airport reached a peak of close to 180,000 enplanements in 1989. In 2010, there were about 16,000. Over the decades, Worcester lost market share to Providence and Manchester as alternatives to Logan. In 2010, there were 1.4 million enplanements at Manchester and 2 million at Providence.

Although Worcester no longer owns the airport, it remains an important stakeholder in all decisions about the airport's future. Airports invariably generate controversy in nearby communities due to their size, expense and noise.⁵ Worcester Airport lacks many features typically associated with a major commercial air service provider, such as more runways, longer runways, and a covered parking garage. But the biggest hindrance to the future growth of the Worcester Airport is the lack of an access road between the airport and main highways. The City no longer has the commercial and industrial base it had in prior decades. New users would have to come from the surrounding region. Without an access road, it is doubtful that the airport will be able to reclaim the level of service it received in the late 1980s. The City will not be paying for any access roads, but its role as an important stakeholder affected by such a project means the Worcester City

Council would play a crucial role in the road's design and route.

Should Worcester tap into its \$10 million excess tax-levy capacity, and if so, how should the additional revenues be used?

In FY11, at the City Manager's recommendation, the City Council voted to draw down its then-\$12 million excess levy capacity by \$2 million. The City had built this capacity up over a number of years by not taxing to the Proposition 2 ½-mandated limit.

The City used the \$2 million to balance the budget in FY11, but beginning in FY12, it will be gradually devoted to a new capital program to improve streets and sidewalks. The remaining \$10 million in excess levy capacity is still unusually large relative to most other Massachusetts municipalities.

According to the state Department of Revenue, only three communities have a larger levy capacity: Quincy (\$17 million), Marlborough (\$20 million), and Cambridge (\$99 million). Accessing these tax revenues would not require a Proposition 2 ½ override, but only a majority vote by the City Council.

Worcester has struggled to bring revenues into line with expenditures in every year over the past decade, even prior to the current recession. For as long as economic growth remains inadequate, revenues from recurring (as opposed to one-time) sources will continue to be a concern. Tapping into

the excess levy capacity would provide a new, recurring revenue source, but would also mean higher taxes at a time when many residents and businesses are already suffering from the effects of the national economic downturn. Raising the entire \$10 million would mean an increase of \$115 in the average single family tax bill.

Should these revenues be raised, and if so, to what purpose? Offsetting potential cuts in core services such as public safety and public education, or towards additional capital expenditures?

How will Worcester address its long-term retiree health-care liability?

In the private sector, employer-sponsored retirement health benefits have become rare.⁶ In state and local government, they remain common, although increasingly burdensome. Worcester pays for 75% of the Medicare Supplemental Plan premium cost for all retired employees with ten years of service. As the cost of health care has soared, so, too, has Worcester's long-term liability. The City was able to reduce its liability somewhat in 2007 when the Worcester City Council voted to require retirees to pay 25% of their health insurance premiums. However, according to the most recent actuarial valuation, Worcester's long-term retiree health care liability still stands at over \$750 million, or \$61,478 per taxpayer.⁷

This amount may change, as it is contingent on estimates about the long-term cost of health care.

Unlike pensions, Worcester's long-term retiree health care liability is completely unfunded. The City pays for it on a pay-as-you-go basis: annual budgetary appropriations for that year's expenses. Pensions are pre-funded, meaning that throughout an employee's career, the City and employees make annual contributions that are invested into a trust fund administered by the Worcester Retirement Board. The more of a liability that can be covered through investment return, the less of a burden it will be on future taxpayers. There is a huge opportunity cost associated with every year that passes without addressing the long-term retiree health-care liability. Even small contributions can yield considerable sums in investment return over decades.

Should Worcester begin to pre-fund its retiree health-care liability? Retired employees are already paying 25% of their premiums. Should *current* employees be required to contribute to their retirement health benefits?

Do you support Worcester's Responsible Employer Ordinance for public construction projects?

Worcester's City Council adopted a Responsible Employer Ordinance (REO) in 1996. This imposes requirements on all bidders on vertical public

construction projects in the City in addition to those already mandated by state law. The REO requires that general contractor bidders on projects above \$100,000, as well as all sub-contractors on jobs above \$25,000, participate in a “bona fide” apprenticeship training program, meaning one certified by the state’s Division of Apprenticeship Training. While an REO does not technically bar non-union contractors from bidding on projects, it makes it more difficult for them to do so. A unionized contractor may fulfill the apprenticeship training requirement simply by being a signatory to an agreement with a local trade union. (Part of the collectively-bargained wages go towards union-run training programs.) Non-union contractors, by contrast, must bear all the burden of running such a program themselves.

About 85% of the construction industry in Massachusetts is non-union.⁸ Hence, a pro-union bidding policy discourages many firms from bidding on city projects. Fewer bidders means less competition and could mean higher costs for taxpayers.

MAYOR

The mayoral candidates should be asked all questions for City Council and School Committee since the mayor serves as both chairman of the City Council and the School Committee. In

addition, the mayoral candidates should be asked the following question:

How do you understand the mayor’s responsibilities? What will you do that is distinctive to your mayoral duties?

Under council-manager government, the powers of the mayor are sharply circumscribed. The City’s Charter (Article II, Section 2-2 (c), “Powers and Duties of the Mayor”) enumerates the primary rights and duties of the mayor as follows:

- “The mayor shall be recognized as the official head of the city for all ceremonial purposes;
- “He/she shall be chair of the city council. The mayor shall have no power of veto but shall have the same powers as any other member of the city council to vote upon all measures coming before it;
- “The mayor shall serve as chair of the school committee. He/she shall have no power of veto but shall have the same powers as any other member of the school committee to vote upon all measures coming before it.”

WORCESTER SCHOOL COMMITTEE

How can the Worcester Public Schools improve student achievement?

Improving student achievement is the central challenge for the Worcester Public Schools' (WPS) administration and school committee. As is the case in most urban school districts across the nation, WPS students fall short by every commonly-accepted academic measure. The WPS' MCAS scores are below state averages in every grade and subject. The district also trails state averages in terms of graduation rates (below state average) and dropout rate (above).

In 2010, the state classified 36 Worcester schools as needing improvement, corrective action, or restructuring in math, ELA, or both, either in the aggregate or for subgroups. Twenty-seven schools in Worcester are implementing state-approved restructuring plans, including all four of Worcester's middle schools and all four comprehensive high schools. The district as a whole was identified for corrective action for subgroup performance in both ELA and math for the fourth year in a row in 2010.

Worcester has two Level Four schools, Chandler Community and Union Hill, designated as such because of their long-term trends in under-performance

on MCAS. In order to exit this status, these schools must execute a state-approved turnaround plan, improve their MCAS scores, and provide evidence that conditions exist to sustain that improvement. (According to the 2011 MCAS results, both schools have made modest improvements.)

Many parents choose to educate their children outside the Worcester Public Schools, either at one of Worcester's three charter schools or through Worcester's inter-district school choice program. Through the latter, in 2010-2011, Worcester sent more than five times (385) as many students to be educated in other districts than it received (72).

Do you believe that the 2010 testing irregularities at the Goddard School were handled appropriately?

The Goddard School of Science and Technology is one of 33 elementary schools in Worcester. It enrolled 586 students in the 2010-11 school year. In January 2011, the state Department of Elementary and Secondary Education (DESE) invalidated all of the school's 2010 MCAS scores, based on evidence that teachers had reviewed answers, provided "inappropriate coaching during testing," in the form of "review[ing] student work on the test, coach[ing] students to add to their responses, and scribed answers or

portions of answers that were not worded by student.”

The DESE Commissioner reprimanded the Goddard school’s principal, required extra training in MCAS procedures for WPS principals and administrators, and the superintendent’s office was made directly responsible for administering the 2011 MCAS at Goddard. No further consequences followed from the state.

Some members of the Worcester School Committee proposed that the district conduct its own “prompt, comprehensive, aggressive, impartial and meticulous” investigation into why the scores were invalidated. They also proposed that the district investigate alleged irregularities on Belmont Street Community School’s 2010 MCAS scores. But the majority of school committee members voted against both proposals, deciding not to take any action at the district level.

The recently released 2011 scores of the Goddard School confirm the irregularity of the 2010 results (**Chart 1 and 2**).

Chart 1: Goddard School English MCAS Scores, 2009-2011

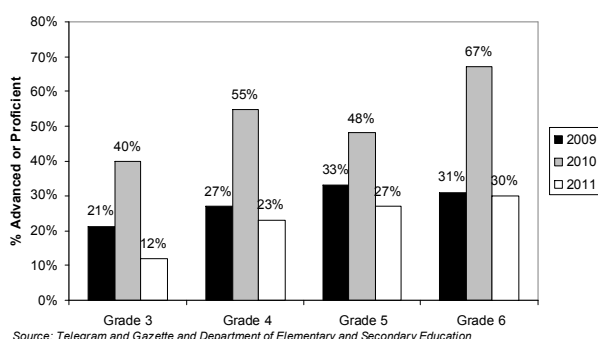
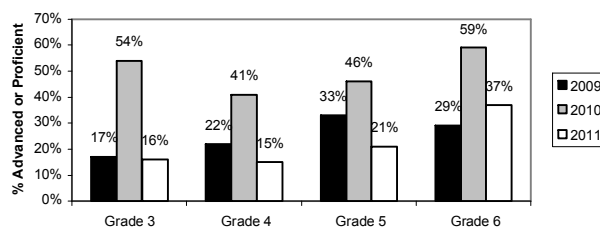


Chart 2: Goddard School Math MCAS Scores, 2009-2011



In both English and math, and in every grade, Goddard’s 2010 scores were at least 13 points higher and some cases almost 40 percentage points higher than 2009 or 2011. Should the School Committee take any action in light of this new evidence?

Should the Worcester Public Schools implement new programs for teacher recruitment and training? If so, what should they entail?

All teachers are not equal. Different teachers can get different results out of the same students. A growing conviction in the importance of teacher quality has led many districts to adopt new approaches towards teacher recruitment and training to supplement the traditional reliance on job fairs and education schools.

WPS facilitates new teacher induction through its Eagle Hill Institute program. Prior to their first year, WPS teachers go through a weeklong training program to

develop professionalism and camaraderie with other members of their class.

Examples of non-traditional teacher recruitment and training programs employed in other districts include Teach for America and the Boston Teacher Residency program. Founded in 1990, Teach for America is a national organization that aims to improve public education through recruiting, training, and placing teachers in low-income communities. Teach for America has placed over 30,000 recent college graduates and professionals in teaching positions across America. Teach for America places more teachers in American schools than any other single program or college. Many Teach for America corps members come from selective colleges (the 2011 acceptance rate into the program itself was 11%), but the program also emphasizes diversity in race and geography in its recruitment policies. There are about 160 active Teach for America corps members teaching in Massachusetts, all in urban public schools districts in Boston, Lawrence, and Chelsea. This fall, the program expanded to Fall River and New Bedford.

The purpose of the Boston Teacher Residency program is to address high teacher attrition rates in urban public school systems. It recruits teachers and then provides them with a formal apprenticeship program for their first

year, which combines coursework with practical classroom experience guided by an experienced mentor teacher. The program is part of a network of other Urban Teacher Residency programs, which exist in many other cities such as Chicago, New York and Los Angeles.

Should the Worcester Public Schools reassess the practice of compensating teachers based on longevity and advanced degrees?

In May, the Worcester School Committee signed a contract with the Educational Association of Worcester (EAW), covering FY10-13, that reaffirmed the traditional practice of compensating teachers based on longevity and advanced degrees. In June, the state Board of Elementary and Secondary Education passed new regulations that will require that student performance be weighed as a significant factor in teacher evaluations. These regulations will take effect in the coming school year for certain schools and will be effective in all Massachusetts schools by 2014. When fully implemented, this means that Worcester will be required to *evaluate* teachers on a different basis than how it *pays* them.

New approaches to teacher compensation are being discussed and implemented elsewhere in the country, and were required by President Obama's Race to the Top grant competition. Massachusetts received the

highest score of any state that competed in Race to the Top, and the Worcester School Committee formally signed on to the state's application.

Worcester has explored incentive pay for Advanced Placement (AP) teachers, through a program funded by a grant from the non-profit Mass Insight Education and Research Institute. This money defrays test fees for students, and provides stipends to teachers for AP training and student performance-based bonuses for teachers and school administrators. Started at North High in 2008, this program has expanded to benefit hundreds of AP students at North High, South High, Burncoat and Worcester Technical. The EAW filed a formal Prohibited Labor Practice complaint with the state's Division of Labor Relations over it. From the union's perspective, the program manipulates compensation outside the bounds of collective bargaining. Providing stipends to certain teachers and not others (elementary school teachers, for example, would not be eligible to teach AP courses) and then awarding bonuses for those who succeed in increasing student test scores is, in the union's words, "divisive."

Many are critical of the notion linking pay to MCAS scores. But other approaches could be considered, such as differential pay for assuming more challenging assignments and/or

teaching in math and science, where there is a greater need.

How should the demand for greater access to AP courses be balanced with the need to maintain high standards?

Since the mid-90s, the number of AP tests taken annually in America has more than tripled, but average scores have declined. In 1997, 64.5% of students scored 3 or higher (3 is the minimum necessary to receive college credit for the course). In 2010, this figure was 57.5%.

Worcester's AP experience reflects national trends. Over the past decade, WPS' AP program has grown both in terms of the number of course offerings and the number of exams administered annually. But performance has remained flat. In 2009-10, WPS administered 1,946 AP exams, and 40.6% were scored as 3 or higher.

Is broader access to AP courses good in itself? Perhaps all students benefit from exposure to the college-level curriculum regardless of how well they do on the exam. But can high standards be reconciled with greater access?

Why hasn't University Park Campus School's model been replicated elsewhere in the Worcester Public Schools?

US News and World Report recognized University Park Campus School with a Silver Medal in its "2009 Best High Schools" rankings. This was only one of the more recent of University Park's many accolades for excellence in urban public education. MCAS scores at University Park regularly outpace urban district and state averages and in some years have placed it among the best-performing schools in the entire state. University Park is a relatively new (1997), in-district public school distinguished by its unique culture of high standards and expectations and its partnership with Clark University. This partnership emerged out of the University Park Partnership, founded by Clark in the mid-80s to improve the surrounding Main South neighborhood. Clark provides student teachers, its faculty host seminars with students as early as the 7th grade, students have the opportunity to take classes at Clark in their junior and senior years, and those who meet Clark's admissions criteria are given full four-year scholarships. This partnership's general purpose is to prepare urban students for college by giving them early exposure to an academic environment, which would otherwise be foreign to most of them. And indeed, over 95% of UPCS students go to college, many of whom are the first in their family to do so. But despite

these accomplishments, only Clark's more recent partnership with the Claremont Academy has been developed to replicate University Park's success.

What should the relationship be between the Worcester Public Schools and Worcester's three charter schools?

In recent years, Worcester's three charter schools have faced challenges. These include staff turnover problems at the new Spirit of Knowledge school and consistent underperformance at the Seven Hills Charter School. But all signs indicate that charter schools will remain a major presence in public education for the foreseeable future. They enjoy strong support from both political parties, parents (even underperforming schools have waiting lists), and the broader public. In 2010, as part of the "Act Relative to the Achievement Gap," Massachusetts expanded the number of charter schools in low-performing districts like Worcester.

It is no secret that the relationship between the district and the charter schools is often antagonistic. But, assuming that charter schools will be with us for some time, how constructive is this antagonism? Is there a way to establish a relationship that will be more constructive and mutually beneficial?

In September, the Boston School Committee approved an agreement

establishing cooperation between the city and Boston's charter schools. The most important details of this agreement concerned school building space arrangements, but the two sides also agreed to work together on sharing data and best practices.

How should the School Committee support the Superintendent's priorities?

Article Four of Worcester's city charter states that the "Powers and Duties" of the School Committee include "to take general charge of all the public schools in the city," "to appoint a superintendent of the schools who shall be charged with the day-to-day administration of the school system, subject to policy directives adopted by the school committee," and "to make all reasonable rules and regulations consistent with general law, for the management of the school department." How do you understand the relation between the School Committee and the Superintendent, especially regarding the setting of overall educational policy and hiring decisions?

Will you vote to renew the Superintendent's contract?

The most important responsibility of the school committee is hiring, evaluating, and deciding whether to retain the superintendent. This coming school year is the last year in the current superintendent's contract. Will you vote

to renew the superintendent's contract? Why or why not?

Should Worcester adopt district-based representation on its School Committee?

This November, city voters will be asked to vote on the following "advisory" (non-binding) question: "Do you support changing the membership of the School Committee from its current composition of all At-Large Committee members to a combination of At-Large and District Committee members?"

The Worcester City Council voted 8-3 to place this question on the ballot. Should the referendum pass, the City Council would then put before voters a binding question defining the specific changes. If voters approve it, the City Council would then file a home rule petition with the state Legislature to seek these changes. If approved, the charter change would take effect. The entire process would take a number of years. Worcester has not undertaken a charter review since the mid-1980s, when, as a result of Charter Commission recommendations presented to the voters, the City Council adopted district councilors and a popularly-elected mayor.

The membership of the School Committee would likely have to expand to accommodate the new district committee members. When the

Worcester City Charter adopted district members, the City Council expanded from 9 to 11, and changed three at-large seats to district representation. Were the school committee to adopt the City Council's current makeup, it would need to expand its membership by four and change one at-large seat to a district seat.

Proponents contend that city government has benefited from adopting a mix of district and at-large city councilors. They believe that including members elected on a district basis would provide more adequate neighborhood representation, and increase the racial, geographic, and socioeconomic diversity of the Worcester School Committee. Some believe that district-based representation increases voter turnout and general public involvement in local government.

District-based representation, however, has some potential disadvantages. It may enhance parochialism. At-large councilors are required to have the best interests of the whole city in mind. District councilors must think of the whole city and their district. There may be instances in which the interests of the City as a whole and the interests of a particular district are not aligned, such as spending decisions on school repairs.

Opponents dispute the evidence that district representation on the City

Council has improved it, made it more diverse, or heightened civic engagement. There are districts that have been represented by the same councilor for decades. Many district councilors regularly run unopposed; at-large councilors always face challengers. While district representatives are elected with far fewer votes than at-large councilors, they have the same power. Also in question is the claim that the City's poorer neighborhoods have not received adequate representation through the Worcester School Committee's current arrangement. Nearly every city council district in the city is already represented on the current school committee. Of the school buildings that have been built and rehabilitated in recent years, several have been located in poor neighborhoods. Nelson Place, the City school in the most serious state of disrepair, is located in one of Worcester's more affluent neighborhoods. And Worcester does have representation on a school-based level, through the Worcester Public Schools' Citywide Parent Planning Advisory Council and the school councils mandated by state law. District representation would also slightly increase personnel costs if the School Committee were enlarged.

Should Worcester spend more on public education?

MGL Ch. 70 defines what the minimum level of expenditure should be for each school district in the Commonwealth, as well as how this cost should be shared between the state and municipality. Cities and towns are then free to contribute above this foundation-level amount, and many wealthier districts do. Most poor urban districts, such as Worcester, do not contribute significantly more than the minimum (Table 2).

Table 2: FY10 Foundation vs. Actual Per-Pupil Expenditures in Select Massachusetts Municipalities

District	Foundation Per Pupil Expenditure	Actual Per Pupil Expenditure (All Sources)	Increase over Foundation
Weston	\$8,661	\$18,591	114.7%
Cambridge	\$10,542	\$25,737	144.1%
Newton	\$9,028	\$16,597	83.8%
Brookline	\$8,969	\$17,090	90.5%
Wellesley	\$8,836	\$15,391	74.2%
Lexington	\$9,045	\$15,862	75.4%
Holyoke	\$11,191	\$15,824	41.4%
Boston	\$11,499	\$16,666	44.9%
Springfield	\$10,873	\$13,605	25.1%
Fitchburg	\$10,108	\$12,746	26.1%
Fall River	\$10,588	\$13,284	25.5%
Lawrence	\$11,171	\$13,954	24.9%
New Bedford	\$10,342	\$12,873	24.5%
Worcester	\$10,826	\$12,905	19.2%
Lowell	\$10,854	\$12,898	18.8%
State Average	\$9,659	\$13,052	35.1%

Source: MA DESE; includes spending on charter schools and other tuition payments for students educated outside the local school district.

In fact, this table overstates the poorer districts' level of contribution, since it includes funding from Federal grant programs such as Head Start and Title 1. In FY10, the Worcester Public Schools received \$28.6 million from such programs in addition to the \$308.4 million from city and state tax revenues.

Advocates of increased spending in Worcester argue that, in fact, Worcester should probably be spending *more* per capita than wealthy districts such as Newton and Weston. It's harder to educate a typical student in the WPS, because so many are likely to be poor, unfamiliar with English and/or from single-parent homes than the typical student in the Newton and Weston school systems.

Advocates of increased spending on public education in Worcester should make clear where these funds should come from. In recent years, there have been barely enough revenues to sustain prevailing levels of service in city government, much less expand service. Public education has been supported more consistently than any other service during the recession. Worcester's non-school departments have seen their workforce decline by 15% since 2008. But the school department has not been forced to make any major layoffs. Local aid for public safety and public works has been cut by 35% while Ch. 70 aid has increased by 11.4%.

Within education policy circles, little consensus exists about the relation between spending and student achievement. It should also be understood how difficult it will be to raise enough money to make an impact. Even if the Worcester City Council voted to raise the entire \$10 million in excess levy capacity (meaning an

increase in the average single family tax bill of \$115) and devote it to public education, this would increase Worcester’s per pupil expenditure by \$372, leaving it still well below the amount spent by the wealthy suburban districts.

What’s your position on privatization of custodial and cafeteria services?

WPS recently outsourced three functions of its facilities department (painting, masonry and technology infrastructure), affecting ten positions.

Other functions that could be privatized include cafeteria and custodial services. The Worcester Public Schools compensates its custodial staff at a rate close to \$10,000 more than the market rate for custodial staff (**Table 3**).

Number of custodial staff	143
Average WPS Salary	\$41,390
Total Salary Costs	\$5,918,820
Mean Annual Wage for Custodians for Area Labor Market	\$32,030
Total Potential Salary Costs	\$4,580,290
Potential Savings	\$1,338,530

Source: WPS FY12 Budget, Bureau of Labor

This is because the school department provides these services through its own staff instead of through a private vendor. When Worcester privatized custodial services in City Hall, it saved money without any noticeable decrease in service quality. Dozens of

communities across the state have achieved significant savings from outsourcing non-core services.⁹ Privatization would reduce administrative costs and thus maximize the amount of money available for instruction. Through privatization of custodial services, the WPS could save over \$1 million on salaries alone (**Table 3**).

What are the most urgent capital needs of the Worcester Public Schools?

Worcester’s new, \$72.8 million North High was recently opened for the 2011-2 school year, to great acclaim, but it may be the last school the City will be able to build for some time. One of the changes that the state initiated with the creation of the Massachusetts School Building Authority (MSBA) in 2004 was to set a ceiling of 80% state reimbursement for all new schools. Prior to that time, Worcester had been reimbursed at 90% of the costs for all new buildings.

In its “2010 Needs Survey Report,” the MSBA rated the building condition of ten out of Worcester’s 45 schools a “3” on a scale of 1-4 (4 being the poorest). This gave Worcester a disproportionately large share of schools with poor building quality. Only 16% of schools in the state received a 3 or 4. But this does not mean that these schools need to be replaced. For “3” schools, the MSBA’s formal

recommendation is “Moderate Repair or Renovation.”

Out of Worcester’s \$18 million tax-levy backed capital budget, the WPS receives \$3 million. School improvements compete for limited resources with the City’s numerous other capital needs such as fixing streets, sidewalks, parks, bridges and dams, as well as equipment such as new police cruisers, fire trucks, and technology upgrades.

It goes without saying that, ultimately, all we should care about is student performance, and the relation between student performance and the quality of school buildings is unclear. Boston’s Roxbury Prep and Excel Academy are examples of high-performing public schools housed in space that is far from ideal. But legitimate capital needs only become costlier the longer they are deferred. And there’s no question that the character of school buildings makes a crucial first impression. Building conditions matter a lot to parents. If we want to reverse the trend of families choosing to educate their children outside of Worcester, we need to be concerned about school-building conditions in the City.

¹ Benjamin Forman, “Going for Growth: Promoting Business Investment in Massachusetts Gateway Cities,” MassINC, July 2008.

² Todd Wallack, “Jobs program lost its way-and tax money,” *Boston Globe*, March 14, 2010; “Rich towns get ‘distressed’ status,” *Boston Globe*, March 15, 2010.

³ “Jobs program lost its way-and tax money.”

⁴ For more details, see “Worcester Regional Airport Positioned for Take-Off,” Worcester Regional Research Bureau, Report 10-03, June 1, 2010.

⁵ See David Luberoff and Alan Altschuler, *Mega-Projects: The Changing Politics of Urban Public Investment*, Brookings Institution Press, 2003.

⁶ “Retiree Health Care: The Brick that Broke Municipalities’ Backs,” Massachusetts Taxpayers Foundation, February 2011, p. 7.

⁷ “Retiree Health Care: The Brick that Broke Municipalities’ Backs.”

⁸ Source: unionstats.com.

⁹ See Stephen Lisauskas, “A Practitioner’s Guide to Outsourcing,” Pioneer Institute, July 2011.

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