EXPANDING METCO AND CLOSING ACHIEVEMENT GAPS

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Executive Summary

School systems around the United States are heavily segregated by income and race. At the same time, an achievement gap between white and nonwhite students persists despite many efforts to close it. Against this background, we explore the history and successes of the Metropolitan Council for Educational Opportunity program, better known as METCO.

The paper begins by examining segregation in the United States and in Massachusetts. While schools became more racially balanced in the 1970s, that trend has been reversed in more recent decades. In Massachusetts more than one quarter of African American students and similar numbers of Hispanic students attend heavily segregated schools. Segregation may play a part in explaining the achievement gap, as minority students in less segregated schools outperform their peers in more integrated systems.

Although segregation endures at very high levels in Massachusetts, METCO provides an example of a small but successful voluntary program to reduce racial imbalances. The precursor to METCO began almost 50 years ago, and since then METCO has allowed a small number of minority students from Boston and Springfield to attend suburban schools. Currently approximately 3,300 students participate each year.

More research on the effectiveness of METCO is needed, but the limited information available indicates that METCO students perform well in their new schools. Parents certainly believe in METCO, as the programs in both Boston and Springfield currently have 10,000 students on waiting lists.

Despite its popularity and apparent success, state funding for METCO has fallen during the past decade; a decline that becomes larger when adjusted for inflation. The total financial impact of the program is complicated by the way districts receive funding for METCO students. The net cost to the state varies depending on many factors, including whether students come from Boston or Springfield and which district they attend.

The financial impact of METCO also varies tremendously for local districts. In Boston the program has no impact, Springfield loses thousands of dollars of aid for each student in the program, and in the suburban districts that METCO students attend, each METCO student results in additional aid of between $5,000 and $17,000. The argument that suburban school districts are subsidizing the Boston and Springfield public school systems is too simplistic; the more complex reality is that some districts get substantial amounts of aid.

METCO provides an important opportunity for school choice to urban residents in Massachusetts. The program should include better controls for accountability and transparency both from DESE and METCO Inc. With those controls in place, the program could be expanded to serve thousands of additional students at a relatively low cost. Additionally, changes to the funding formula could make the financing more transparent and stable, as well as provide an automatic adjustment for inflation.

Preface

Massachusetts is an American epicenter for the advancement of literacy. The founding of our nation's first public school, Boston Latin in 1635, and first institution of higher learning, Harvard College in 1636, are two examples of the commonwealth's role in advancing literacy in the New World. At the state level, founding father John Adams included in the Massachusetts Constitution of 1780 support for literature and learning through its public schools; a first in a maturing republic three years removed from an official end to the American Revolution with the signing of the Treaty of Paris. In 1837 Horace Mann, America's first secretary of a state board of education, used his position to promote the common school idea. Massachusetts remained a leader in innovative ideas throughout the 20th century: be it through the education of girls and women; support for first-generation college students; or through its historic 1993 Education Reform Act that produced the nation-leading best NAEP results between 2005 and 2013, and K-12 global competitiveness on the 2007 and 2013 TIMSS assessments. Not surprisingly, in 2015, Massachusetts' residents and students have the highest college completion rates in the United States.

There is a long tradition in Massachusetts of parents and communities advocating for public schooling. In 1642, for example, the Massachusetts Bay Colony enacted the Parent and Master Act to codify the role of adults in promoting literacy for children. Some historians considered this act the earliest education policy in British North America. In the 1770s, Worcester parents protested against a law that required them to support a grammar school with a Latin-only curriculum. Parents demanded classes be taught in English so that all children could attend the school, not solely the college-bound sons of wealthy families. In the 1840s, Black Bostonians turned to the Legislature and the Courts to seek admission for their children into quality public schools. A century later, at the conclusion of World War II, thousands of Americans returned from Europe emboldened by their victory over fascism and ready to advance democracy at home, particularly in its public schools. Massachusetts, again, was at the epicenter of change.

In 1965, Massachusetts enacted the Racial Imbalance Act to desegregate its public school system; and it is worth noting that Massachusetts had already passed a law 110 years earlier to outlaw segregation in its public schools. Black parents from the Dorchester and Roxbury sections of Boston, however, had grown tired of Massachusetts Department of Education and Boston School Committee efforts to provide their children with a quality education in a de facto public school system. Political petitions and court challenges had not worked. Even school boycotts in 1963 and 1964 did not produce needed changes. So parents founded "Operation Exodus" and raised money to pay to bus students into under-enrolled white public schools in Boston. Some school principals resisted the effort, while others voluntarily opened their doors. With the passage of time, political and philanthropic allies interested in the academic and social mission of Operation Exodus decided to join the parent-led campaign. This effort led to the formation of the Metropolitan Council for Educational Opportunity (METCO) in 1966.

After nearly 50 years, METCO, the nation's second oldest voluntary inter-district public choice program, is alive and well, while remaining true to its original mission: fostering diversity and enhancing educational opportunities. As with any public education program focusing on race and place, one must ask an all-important question: Does it work? According to co-authors Kate Apfelbaum and Ken Ardon the answer is yes. Last year Boston and Springfield sent approximately 3,300 Black, Latino, Asian, and white students to public schools located in 37 districts—a far cry from 1965 when 400 students decided to "get on the bus" for quality education. At least 10,000 more students are waiting for a chance to gain admission into a suburban school. As

for academic results, the authors prove that tests scores and graduation rates are higher for METCO students than for their peers in Boston and Springfield.

In sum, METCO is another example in the long history of advancement of educational opportunity in Massachusetts. METCO was a parent-led initiative in 1965 and in 2015 it is a parent-demanded initiative. More students can gain access to opportunities their parents believe are in their best interest with additional funding from the Massachusetts Legislature and supportive regulations from the state education department. Boston is home to many quality public schools too, and thus, is equally deserving of support. Any support for METCO must not become a referendum against public education in Boston or Springfield. Rather, METCO is merely a component of our educational portfolio of school choice where one size does not need to fit all.

— Gerard Robinson, Chairman, Black Alliance for Educational Options Action Fund, and former chief state education official in Virginia and Florida

Introduction

In 1963 President John F. Kennedy challenged Congress to "examine how far we have come in achieving first-class citizenship for all citizens regardless of color, how far we have yet to go, and what further tasks remain to be carried out."[1] Fifty years after this call to action, as segregation and achievement gaps persist across the country and in the Commonwealth of Massachusetts, it is time to re-assess the state of segregation in Massachusetts, the outcomes of the intersection between segregation and educational opportunities, and the policy interventions designed to remove barriers to equal educational opportunities.

Massachusetts is the home of Horace Mann's common school, established in 1837 so that, "the children of all classes, riches and poor, should partake as equally as possible in the privileges" of the enterprise.[2] It is also the home of the 19th century abolitionist movement and home of the first African-American popularly elected United States Senator, Edward W. Brooke. Moving forward, the commonwealth must take on the challenges of the future from that very same historical foundation.

The commonwealth is in an advantageous position in that two positive and research-proven public school choice options have already created positive momentum for low-income and minority students: the Metropolitan Council for Educational Opportunity (METCO), a racial balancing program, and commonwealth charter public schools.

METCO is a voluntary racial balancing program that provides approximately 3,300 non-white students from Boston and Springfield the opportunity to attend suburban schools. Established in 1966, METCO began as a grassroots program that developed with the support of local families, religious groups, and community organizations. Unlike the response to busing in the 1970s, METCO has garnered widespread support for its twofold mission of racial balancing and high quality educational opportunities for non-white inner city students in integrated classrooms and learning environments for urban and suburban students. The program is largely funded by a modest budget line item in Massachusetts state government.

Boston charter school students, who are predominantly minority, low-income student population, have virtually closed achievement gaps. The student population is selected through a lottery system, which has led to heavily segregated schools in Boston. Their high levels of achievement are proving that segregation need not be a barrier to high achievement. However, charter schools can only educate a small portion of students.

Parents recognize the value of school choice in Massachusetts. Of the 77,000 school-age children living in Boston, 26 percent opt out of Boston Public Schools in favor of private, parochial, charter, home schooling or suburban schools through METCO. In addition to the students who do not attend Boston public schools, wait lists for METCO (approximately 10,000) and Boston charter schools (approximately 17,000), which may contain overlap, indicate that roughly 50 percent of the school age student population participates or expresses interest in school choice.

Current legislation restricts the expansion of charter schools in Massachusetts, other policy interventions must be considered in closing the achievement gaps present in public schools. Research shows that low-income and minority student achievement tends to improve when exposed to students with more advantaged backgrounds.[3] Building upon the success of the METCO program in Boston and Springfield, increasing the capacity for student participation in those cities and expanding to other middle cities will provide parents with greater school options and increase school diversity across the commonwealth.

The 1993 Massachusetts Education Reform

Act (MERA) represents a valiant attempt at providing a better education for all students and forms the foundation for the Commonwealth's current strength in K-12 education. On the 2013 National Assessment of Educational Progress (NAEP), known as the "Nation's Report Card," Massachusetts ranked first in fourth and eighth grade reading and math.[4] The Commonwealth is also internationally competitive; its students perform with within the top quartile of participating countries in international math and science testing.

In Massachusetts, the achievement of low-income, African-American and Hispanic students is at or near national leadership positions. The low-income math scores in eighth grade nearly equal the national average for all students, best the average of more than a dozen states, and equal another eight to ten.

Despite these impressive achievements, gaps based on race and income, remain within the commonwealth. Fourth grade African-American and Hispanic students lagged 25-30 percentage points behind their white counterparts in reading and math proficiency on the Massachusetts Comprehensive Assessment System (MCAS) in 2014.[5] Low-income students are 20 percentage points behind in English language arts and 18 percentage points in math on the fourth grade level.[6]

The achievement gap between white and African-American students in Massachusetts in NAEP scores has grown nominally in the last 20 years, and the gap between white and Hispanic students, which narrowed in the 1990s, has remained unchanged since 2000.[7] In fact, the current statewide achievement gap in NAEP scores is 4 points wider than the national achievement gap, smaller than only six states and the District of Columbia.

In Boston, the story is even more bleak. Since 2003, the achievement gap between white and non-white students on MCAS has increased in reading and math for fourth and eighth grades, with the exception of the white-Hispanic gap in eighth grade math which has closed nominally. The widening of the achievement gap occurs during a period of increasing urban segregation in the commonwealth.[8] Urban minority students are falling further behind while they become more educationally isolated, leaving their families bereft of quality public education options.

Based on the population and migration trends of the last two decades, the commonwealth will continue to see a growing non-white population and intensifying segregation in urban districts. The reality is that the future of the commonwealth is tied to a growing population of students educated in increasingly segregated schools. Gary Orfield, author of the Civil Rights Project wrote in 2013,

> [Massachusetts] needs to move beyond self-satisfaction, think of positive ways to create and maintain successful interracial communities and schools, and get to work at the state level,… build on positive examples and to focus some of the state's abundant public and private talent on turning in a better direction.[9]

As learning environments are increasingly determined by geographical, racial, and socio-economic boundaries, the expansion of METCO provides urban, disadvantaged parents with school choice and all children in the commonwealth the opportunity to develop higher level critical thinking, communication, and social skills in diverse schools.

METCO

The desegregation of schools and bussing as a means to achieve it, are concepts that many Bostonians associate with the violent and racist reactions of the public and the lack of political and community leadership during the court-ordered busing of the 1970s. The ugliness of that time period overshadows the peaceful, successful, and voluntary grassroots racial balancing program called METCO that began in 1966. Strengthened by community partnerships, METCO provides the opportunity for non-white

Boston and Springfield students to enroll in the predominantly white surrounding suburban school districts. With its two-pronged mission, METCO empowers urban parents with the opportunity to enroll their child in a school choice program while increasing racial diversity that will benefit both urban and suburban students. In the 2014- 2015 school year, 3,300 students attended schools in 35-40 different school districts through METCO.

METCO provides curricular support to schools on teaching diverse classrooms, a METCO staff member embedded in every receiving school that monitors and aids METCO students, and links METCO students up with a community family that will be their local contact and primary support network throughout their education in the receiving district. METCO is open to all nonwhite students. The program is wildly oversubscribed. In Boston, students must be put on a waitlist that is approximately five years long. Since most placements are seats in kindergarten or first grade, many parents sign up for the waitlist as soon as a child is born. Usually 1,200 to 1,500 children enter the waitlist each year, over 50 percent of whom are under three years of age.[10] In Springfield, a lottery determines placements. Roughly 350-400 students out of the 10,000 on the waitlist gain seats each year.[11] In Boston, METCO, Inc., the organization responsible for making placements, aims to create cohorts that are demographically similar to their sending districts.

Brief History

Massachusetts was the first state in nation to pass a law prohibiting segregated schools in 1855, yet it went unenforced for more than 100 years, until the Racial Imbalance Act of 1965 made a bold call for action against racial isolation and social inequality in the form of desegregating public K-12 schools.

On a national level, the SCOTUS had overturned "separate but equal" in the 1954 *Brown v. Board* decision, thereby challenging *de jure* segregation in public education without directly addressing the *de facto* segregation found states like Massachusetts. Title IV of the 1964 Civil Rights Act empowered the Department of Health, Education, and Welfare with the authority to withhold funds or even sue districts that were not in compliance of the call for integration. The passage of the 1965 Elementary and Secondary Education Act (ESEA), which dramatically increased the federal contribution to public schools, especially those with large concentrations of minority students, made the threat of withheld federal funding significantly more serious.[12] To further the point, between 1963-1964 and 1971-1972, annual federal expenditures on education quintupled from $2.7 billion to 14.7 million.[13]

The implementation of desegregation in Massachusetts was delayed nine years by protests in urban and largely poor white neighborhoods, grounded in community preservation and racism. Separate from the 1974 court-ordered busing between city neighborhoods, a program called Operation Exodus peacefully oversaw the voluntary busing of hundreds of African-American students out of their overcrowded neighborhood schools. Started by African-American parents, this was the precursor to METCO. Their fight was on a smaller scale, overcoming bureaucratic barriers to exercising the existing right to transfer between any schools where space was available.[14]

METCO began in the midst of this upheaval in 1966 when seven suburban districts partnered with African-American parents and liberal whites in Boston under the leadership of Operation Exodus organizers Ruth Batson and Ellen Jackson. The Carnegie Foundation funded the program in its first year, after which the commonwealth provided funding, albeit at a level well below the average cost per student in receiving districts. Serving as the starting point for implementation of the Racial Imbalance Act and desegregation in Boston in 1966, METCO continues today as the longest-running desegregation program in the country.

Unlike the forced busing of the 1970s which

sought racial diversity among the city's neighborhoods, METCO bused African-American students out to the wealthier, predominantly white suburban public schools. METCO aimed at equal opportunity as well as racial diversity, continuing the tradition of the 1954 *Brown v. Board of Education* decision that held separate but equal was not acceptable in education because status in society and network of schools were integral aspects of equality.[15] These Civil Rights era attacks on racial divisions were two-fold: tearing down prejudices and creating equal opportunities to receive a quality education, based on an awareness of the segregated state of society.

The opportunities provided by voluntary busing programs like METCO are not limited to the social mobility through higher education afforded to the inner city children who gain the benefits of a high achieving, networked suburban school. Jeffrey Alkins, a METCO student who graduated from Newton South High School says that the program taught him that, "as a whole society, it is our job to educate each other." In many of the suburban receiving districts, students are as racially isolated as those traveling from Boston; METCO provides all students the opportunity to learn in a racially and socio-economically diverse K-12 school environment that reflects the society in which they live.

State-driven integration did not last long, however. In 1974, an amendment to the state constitution prohibited mandatory student assignments for desegregation.[16] While the amendment eliminated compulsory integration, it created incentives for local school districts to implement their own voluntary desegregation programs. In the 1980s and 1990s, 22 districts took up these incentives and established desegregation programs. When the department of education dissolved the Bureau of Equal Educational Opportunity and integration incentives in the late 1990s, it signaled the commonwealth pivoting away from desegregation as a major education focus. The 1991 SCOTUS decision to return to neighborhood schools in *Board of Education of Oklahoma City v. Dowell*;[17] and in *Missouri v. Jenkins*, held that the state of Missouri was no longer financially responsible for remedying the ill effects of segregation, despite the persistent negative educational effects of segregation.[18] METCO is the one of the few remaining programs of its kind in the country.

The Status Quo

Population Change and Increasing Segregation National Trends

Sixty years after *Brown v. Board*, racial isolation remains a pervasive and persistent characteristic of the American public education system. The data on student population exposure in Figure 1 illustrates the varying levels of isolation that students of different races experience. Students in public schools are disproportionately exposed to other students of the same group, indicating a lack of diversity.

Three terms are used to describe the magnitude of segregation in a school in this paper: Level I segregated school populations are 50-100 percent non-white; Level II school populations are 90-100 percent non-white; Level III segregated school populations are 99-100 percent non-white.

Figure 2 contains data on the percentage of African-American students in level II segregated schools from 1968-2011. Segregation decreased in all regions of the country with the exception of the Northeast, where it increased by almost 10 percent. After initial progress in the 1970s and 1980s, segregation rose in every part of the country, contributing to the current separation seen in student population diversity and exposure. Fifty years ago the Northeast was the least segregated area of the country, but today it is by far the most segregated with more than half of African-American students attending level II segregated schools.

Massachusetts

Over the past two decades, Massachusetts' population has become more diverse, with the white population shrinking from 90 percent to

80 percent. Non-white populations have grown across the commonwealth from 1990 to 2010, with the Hispanic population growing the most, doubling to 9.6 percent.[20]

The changes in the general population are magnified in the school population (See Figure 4). The school-aged population of white students decreased by 15 percent. There was virtually no change in the African-American population, and the Hispanic population grew 10 percentage points.

As the population has diversified, schools have

Figure 1. National Student Population Exposure in 2011-2012

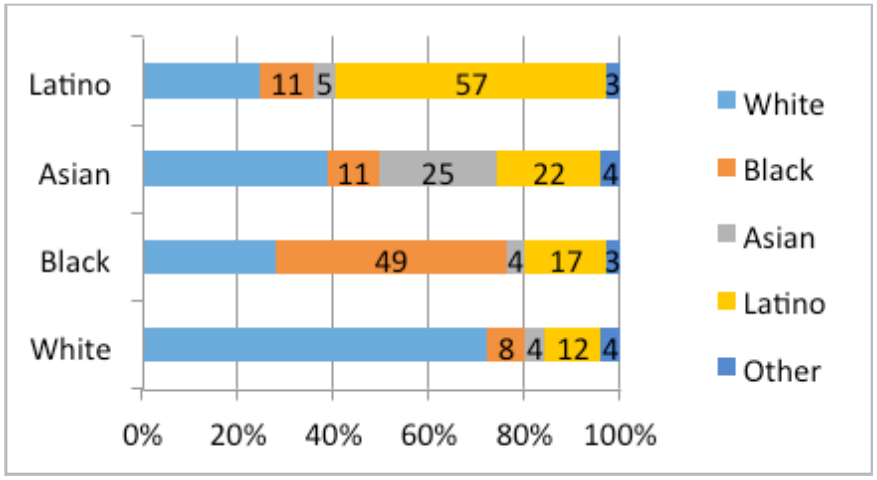


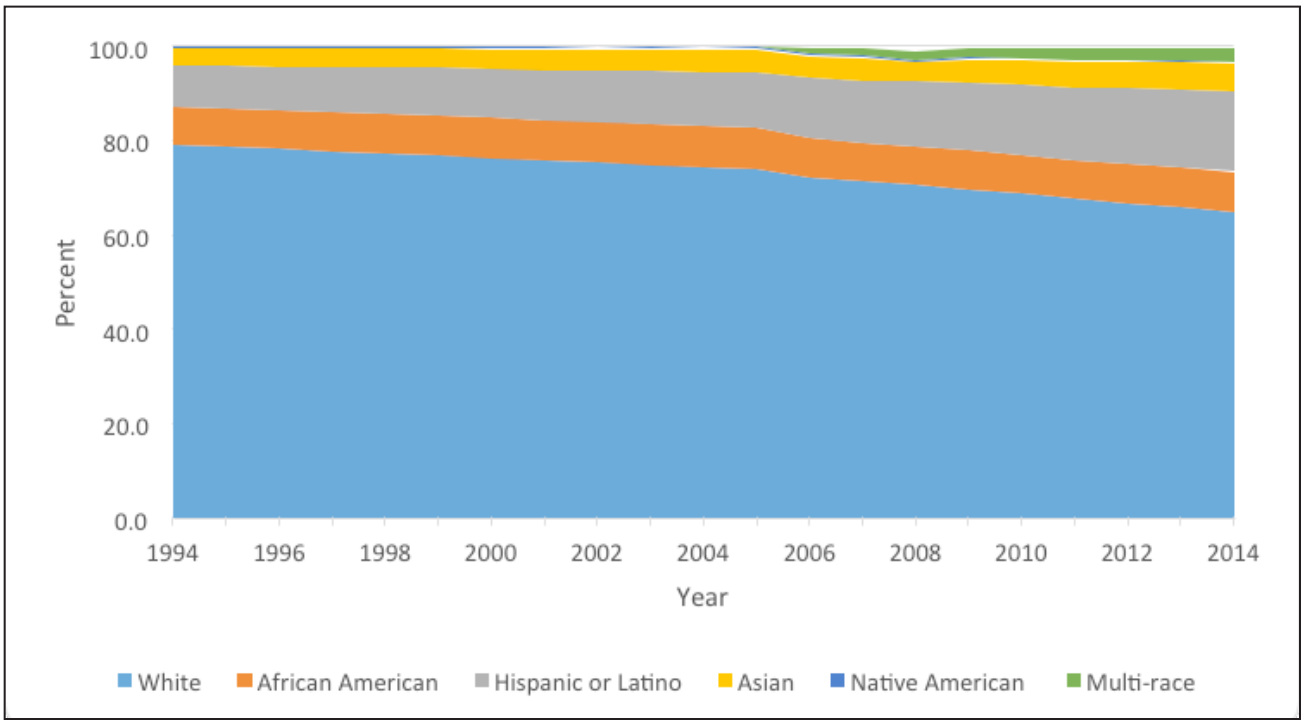
Figure 2. Percentage of African-American Students in 90-100 percent Minority Schools 1968, 1988, 1991, 2001[19]

Region	1968	1988	1991	2001	2011	Change from 1968-2011	Change from 1991
South	77.8	24.0	26.1	31.0	34.2	-43.6	8.1
Border	60.2	34.5	34.5	41.6	41.0	-19.2	6.5
Northeast	42.7	48.0	49.8	51.2	51.4	8.7	1.6
Midwest	58.0	41.8	39.9	46.8	43.2	-14.8	13.3
West	50.8	28.6	26.6	30.0	34.4	-16.4	7.8

Figure 3. Massachusetts General Population Profile: Census 1990, 2000, 2010[21]

	1990	2000	2010
White (non-Hispanic)	89.9%	81.9%	80%
African-American	5.0%	5.4%	6.6%
Hispanic	4.8%	6.7%	9.6%
Asian	2.4%	3.8%	5.3%
Native American or Alaska Native	0.2%	0.2%	0.3%

Figure 4. Racial Breakdown of State Public Schools[22]



become more segregated. The number of level I segregated schools in Massachusetts has more than doubled since 1990. The percentage of public schools that are level II segregated is seven times greater, and level III segregated schools emerged for the first time in the commonwealth. In the past two decades, the percentage of African-American students attending minority segregated schools increased from 58.3 percent in 1989-1990 to 69.4 percent in 2010-2011. By school year 2012, more than a quarter of African-American students attended a school that was level II segregated.[23] The numbers are virtually identical for Hispanic students.

The data connecting school population demographics and income levels reveal one of the effects of a confluence of poverty and racial segregation. The percentages of low-income students attending level II segregated schools rose from 71.1 percent in 1999-2000 to 84.8 percent in 2010-2011 (see Figure 5).[24] Figure 6 further illustrates that the growing intensity of segregation in the last decade occurred simultaneously with the concentration of low-income students in segregated schools. The percentage of low-income students increased by roughly 10 percent at all levels of segregation up to the level III schools, where the increase was

Figure 5: Distribution of Low-Income Students in Multiracial and Minority Schools[25]

Massachusetts	Percent Low-Income in Multiracial Schools	Percent Low-Income in 50-100 percent Minority Schools	Percent Low-Income in 90-100 percent Minority Schools	Percent Low-Income in 99-100 percent Minority Schools
1999-2000	55.0%	64.6%	71.1%	85.5%
2010-2011	65.8%	73.7%	84.8%	81.2%

Figure 6. Educational Trends in Massachusetts as of 2010-2011[26]

Average African-American Student	Average Latino Student	Average White Student
Attends a school where 59.4% of students are low-income	Attends a school where 65% of students are low-income	Attends a school where 23.3% of students are low-income
69.4% of African-American students were enrolled in majority-minority school in SY2010-11	68.5% of Latino students were enrolled in majority-minority school in SY2010-11	
Attends a school where 36% of students are white in 2010-2011	Attends a school where 35.6% of students are white in 2010-2011	Attends a school where 80.6% of students are white in 2010-2011*

*White students made up 68.5 percent of the student population in 2010-2011

lesser. More than 80 percent of the students in level III schools in 2010-2011 were low-income.

Figure 6 illustrates the breakdown of student exposure to segregation and poverty based on race. White students attend schools with a low-income student population that is half that of the schools attended by their non-white peers and only one third as diverse. Learning environments are becoming increasingly dictated by and tied to socio-economic and racial backgrounds in the commonwealth.

The geographical representation of population demographics and student achievement (Maps 1 and 2) indicates that areas with high minority populations, predominantly urban areas, report lower reading proficiency in the third grade. Reading proficiency at this level is seen as a benchmark and indicator for future achievement.[29] The minority populations within the commonwealth are concentrated in urban areas, mainly Springfield and Boston. The inset of Map 2 shows a strong correlation between the size of the minority population in a school and third grade reading proficiency, and Map 1 indicates the student population demographics across the commonwealth, i.e. districts where this strong correlation exists.

The larger view of achievement across the commonwealth in Map 2 also indicates the contrast between achievement in urban districts and their surrounding suburban districts. The composite of these maps highlights some of the problems the METCO program seeks to address: racial isolation and improving student achievement between urban and suburban districts.

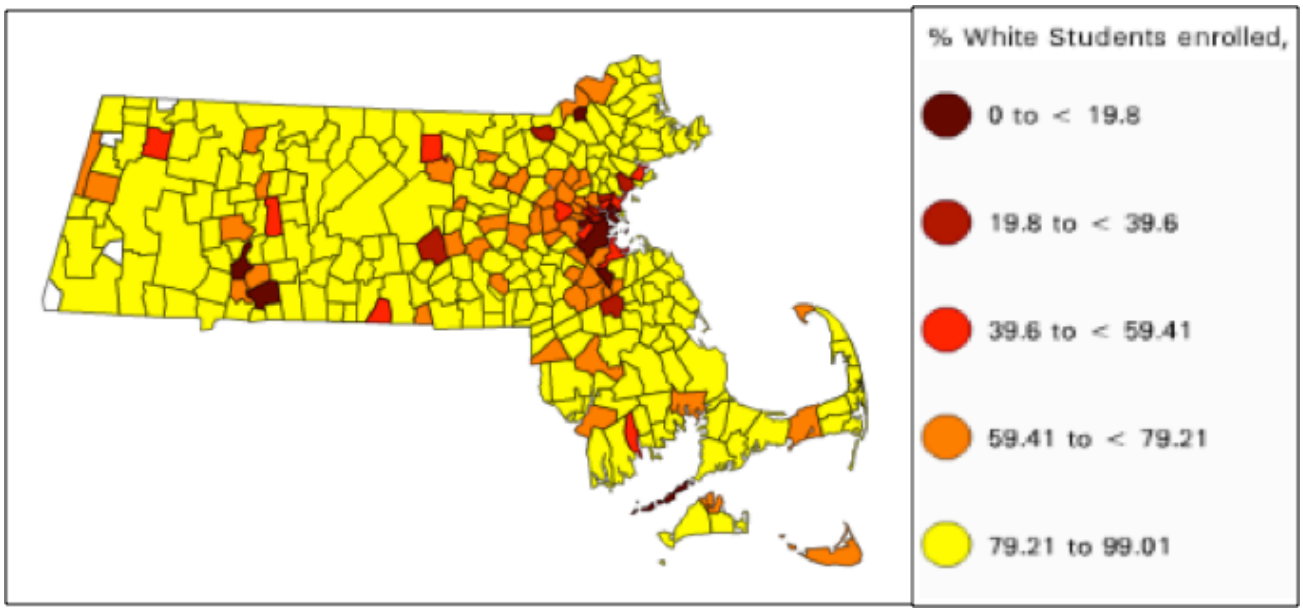
The maps on the next page illustrate the two issues.

Boston

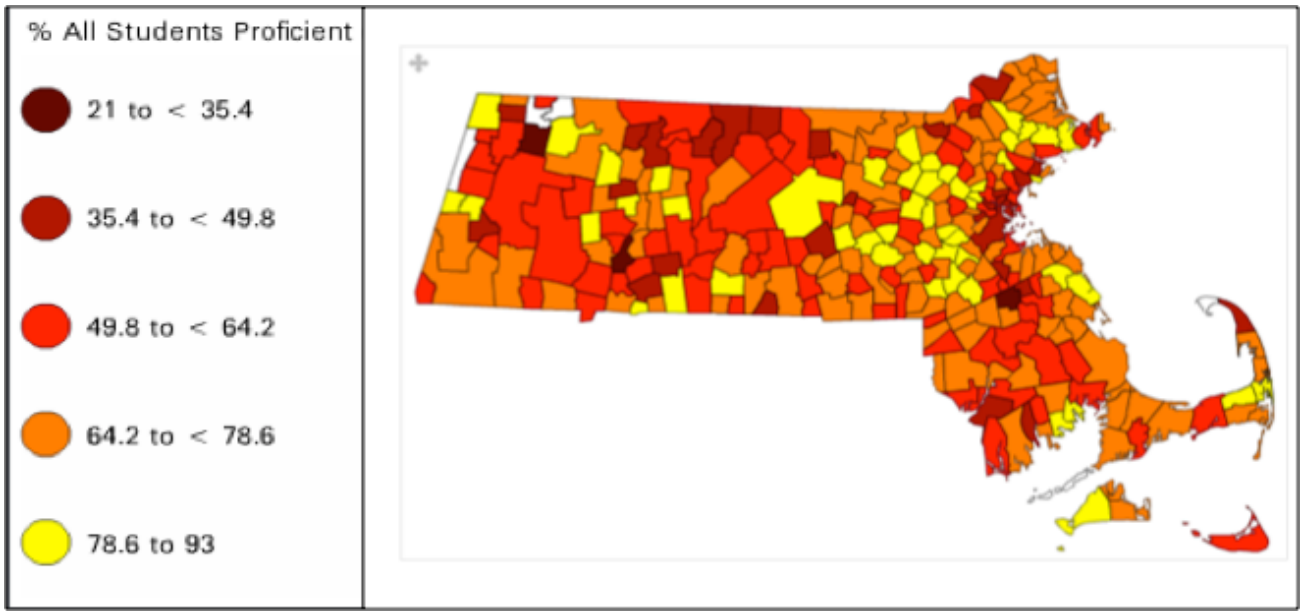
- The strong pre-collegiate schools with abundant Advanced Placement (AP) classes were predominantly white
- The schools with high dropout rates are characterized by largely non-white and low-income student populations
- Highly concentrated poverty in school was virtually nonexistent in white schools in the metro Boston region but was the norm in segregated African-American and Latino schools."[30]

While 65 percent of the statewide general population is white, that number drops to 14 percent in Boston. Additionally, the African-American and white populations decreased

Map 1. White Student Population by District, ACS 2008-2012[27]



Map 2. 3rd Grade MCAS Scores, 2010-2011[28]



over the last two decades while the Hispanic population has nearly doubled. Figure 7 illustrates the higher concentration of non-white students in metropolitan areas like Boston compared with the entire state. Based on the 2010 census, the metropolitan Boston area is the only region with a population that is less than 70 percent white.

The percentage of African-American students in the varying levels of segregated schools mirrors trends in the commonwealth, at times a few percentage points higher. In the Boston metropolitan area, nearly 5 percent of African-American students attend a level III segregated school.

Over the last two decades, the share of students in schools with more than 50 percent nonwhite

students more than doubled. Across the metro Boston area, percentage of schools that are level II segregated quintupled – from 1.4 percent in 1989-1990 to 8.3 percent in 2010-2011.[32]

Academic Impact of Segregation

Segregation, along with poverty levels, single-parent families, length of tenure in residence, and home ownership influence the educational outcomes for children.[35] Additionally, the student composition of schools is related to

Figure 7. Racial Breakdown of Boston Public Schools[31]

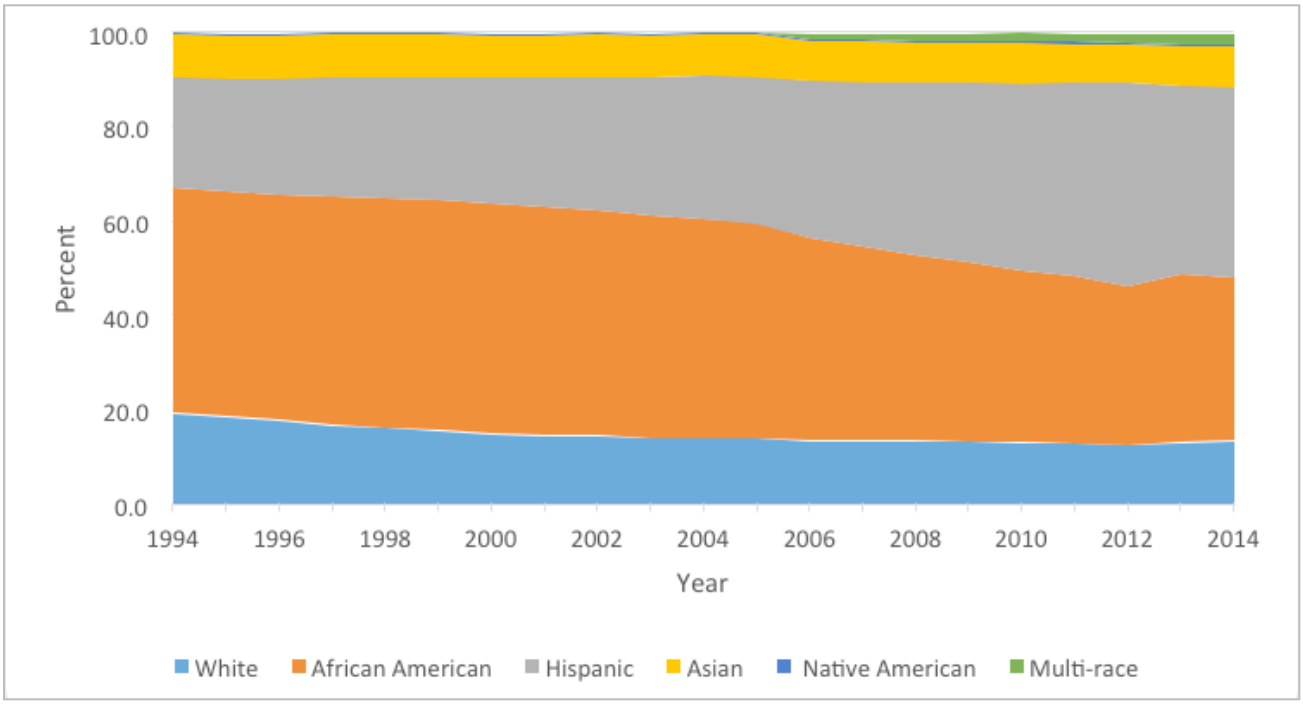


Figure 8. African-American Students in Minority Segregated Schools Boston-Worcester-Lawrence-Lowell-Brockton[33]

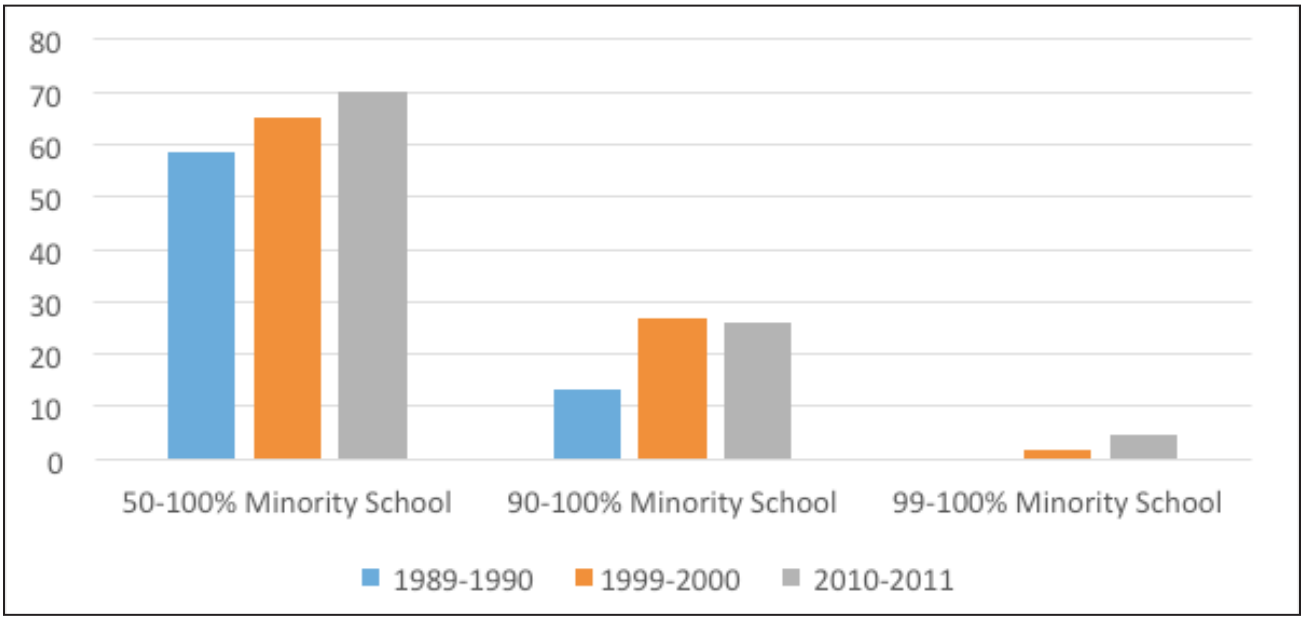
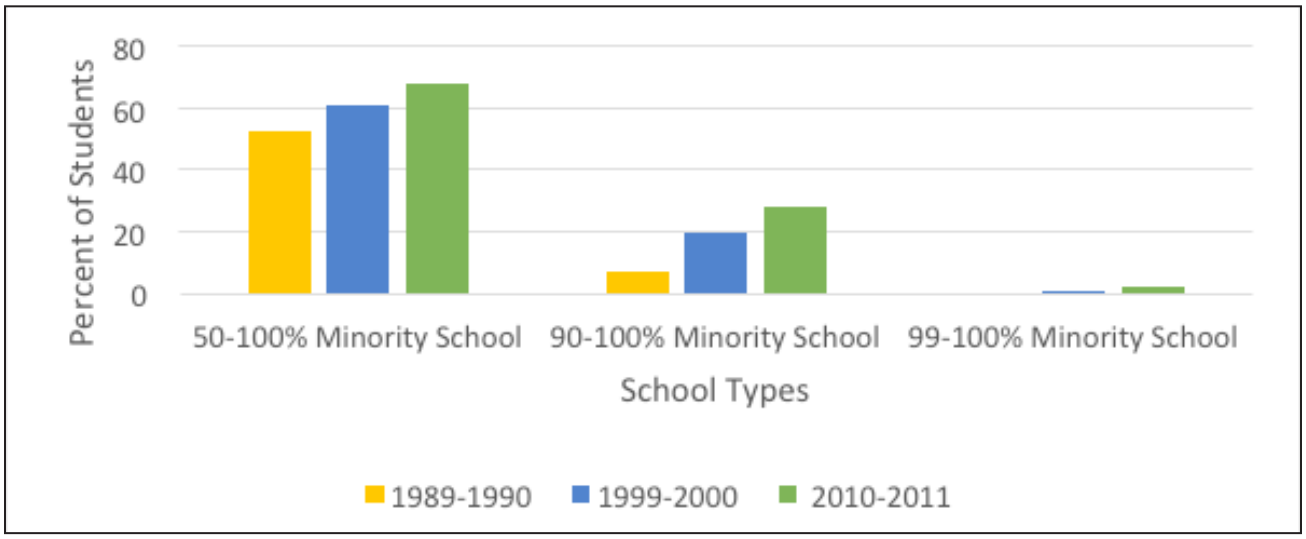


FIGURE 9. LATINO AND HISPANIC STUDENTS IN MINORITY SEGRAGATED SCHOOLS BOSTON-WORCESTER-LAWRENCE-LOWELL-BROCKTON[34]



student achievement. The strong, negative correlation between racial and economic isolation and student achievement underscores the necessity of addressing these inequalities as the commonwealth moves forward.

African-American students that attend racially mixed schools are more likely to attend college, compared with their peers in segregated schools.[36] This could be explained by the less challenging curricula in schools with large low-income and minority populations;[37] segregated schools are less likely to offer AP- or honors-level courses and hold lower expectations for their students, weakening college preparation.[38] Integrating half of a highly segregated city has the potential to close roughly one-quarter of the African-American/white SAT score gap.[39]

Integrated schools foster the development of critical thinking skills, social acceptance and adaptation, and higher academic achievement in students.[40] A study on Project Concern, a desegregation program in Connecticut of similar design and purpose to METCO, found African-Americans, "who had attended desegregated schools were more likely than African-Americans from segregated schools to have a racially mixed social network of friends and acquaintances and to live in racially mixed neighborhoods."[41]

Integration is not a zero sum equation for achievement (minority student achievement improves with no negative affect on test scores of their white or more affluent peers) but rather enhances the learning experience of all students.[42]

A study published in 2006 analyzing 22,000 schools, educating 18 million children, observed that while minority students enrolled in racially integrated schools have higher educational achievement, "a substantial portion of the 'racial composition' effect is really due to poverty and peer achievement."[43] A 2012 report found "a strong statewide correlation between socio-economic school segregation and the size of the achievement gap between low-income and higher-income students" based on NAEP scores from 2007 and 2009, directly linking the achievement gap to isolation in high-poverty areas. Two-thirds of the benefits of integration comes from the school, compared with one-third from the neighborhood.[44] Since school assignment is tied to residence, integration programs like METCO erase the impact housing and living costs have on access to high quality schools.

Achievement Gaps

MCAS

MCAS is the measure for student achievement in the commonwealth, and it consistently reveals a gap in achievement between minority and non-minority students in their ability to reach proficiency in core subject areas. There has been progress, however. The 2014 MCAS scores show slight progress since 2007 in closing the achievement gaps between white and non-white students and all students and low-income students. In English language arts (ELA), all between-groups gaps decreased by less than 10 percent, with the exception of fifth grade in math and English language arts. In mathematics, the gap closed again by single-digit gains from 2007-2014 for Hispanic and African-American students in all grades, with the exception of grade 5 for African-American students.

Analysis of the achievement gap should not distract from the actual achievement of each group; despite marginal narrowing of the gap,

Figure 10. 2007-2014 Statewide MCAS English Language Arts Results Change in Between-Group Gap in Percentage of Students Scoring *Proficient* or Higher[45]

	White		Hispanic or Latino				African-American			
	2007 MCAS	2014 MCAS	2007 MCAS	2014 MCAS	2014 Gap	Change 2007-2014*	2007 MCAS	20014 MCAS	2014 Gap	Change 2007-2014*
	Percent Proficient or Higher		Percent Proficient or Higher				Percent Proficient or Higher			
Grade 3	66%	65%	32%	34%	31	-3	36%	38%	27	-3
Grade 4	63%	61%	28%	31%	30	-5	31%	34%	27	-5
Grade 5	70%	71%	34%	40%	31	-5	39%	43%	28	-3
Grade 6	75%	75%	38%	45%	30	-7	42%	49%	26	-7
Grade 7	76%	78%	42%	50%	28	-6	48%	56%	22	-6
Grade 8	82%	85%	48%	58%	27	-7	55%	63%	22	-5
Grade 10	77%	94%	43%	76%	19	-16	47%	79%	15	-15

Figure 11. 2014 Statewide MCAS Mathematics Results Between-Group Gap in Percentage of Students Scoring *Proficient* or Higher[46]

	White		Hispanic or Latino				African-American			
	2007 MCAS	2014 MCAS	2007 MCAS	2014 MCAS	2014 Gap	Change 2007-2014*	2007 MCAS	20014 MCAS	2014 Gap	Change 2007-2014*
	Percent Proficient or Higher		Percent Proficient or Higher				Percent Proficient or Higher			
Grade 3	67%	74%	34%	50%	24	-9	35%	49%	25	-7
Grade 4	54%	58%	24%	33%	25	-5	22%	30%	28	-4
Grade 5	57%	68%	25%	37%	31	-1	26%	36%	32	+1
Grade 6	60%	66%	25%	37%	29	-6	27%	37%	29	-4
Grade 7	52%	57%	19%	26%	31	-2	19%	26%	31	-2
Grade 8	52%	58%	18%	29%	29	-5	19%	30%	28	-5
Grade 10	75%	85%	42%	56%	29	-4	45%	60%	25	-5

*Negative values indicate a narrowing of the between-group achievement gap; positive values indicate a widening of the gap.

as seen in Figure 10, in 2014 only 30 percent of grade 8 African-American students and 29 percent of grade 8 Hispanic students in the commonwealth scored *proficient* or higher in mathematics.

Figure 13 juxtaposes MCAS scores for METCO-sending districts and three of the receiving districts who accept the most students. This comparison serves to show that while achievement gaps indicate disparity among groups, overall achievement cannot be ignored. The METCO-sending districts' overall student achievement, as measured in proficiency on MCAS scores, is virtually half that of the receiving districts. A recent compilation of research found 'consistent and unambiguous evidence' that high poverty concentrations directly relate to low achievement '*irrespective of their age, race, or family's SES*,' a correlation supported by these achievement differences between the poorer urban districts and the wealthier neighboring districts.[49]

Graduation Rates

Graduation rates mark the final gap in achievement: In 2013, the average four-year graduation rate in the commonwealth was 85 percent; 90 percent of white students graduated from high school in four years; 66 percent of Hispanic students graduated from high school in four years; 74 percent of African-American students graduated from high school in four years; and 72 percent of urban students graduated from high school in four years. While Figure 14 shows improvement for all groups, urban and non-white students lag far behind.

FIGURE 12. 2014 SELECT MCAS ALL GRADES MATHEMATICS PERCENT *PROFICIENT* OR HIGHER[47]

	All	White	African-American	Hispanic	Low-income
State	60%	66%	31%	39%	41%
Springfield	32%	46%	39%	29%	32%
Boston	44%	67%	32%	38%	39%
Brookline	77%	82%	42%	58%	44%
Belmont	86%	86%	55%	72%	64%
Newton	81%	84%	45%	62%	53%

FIGURE 13. 2014 SELECT MCAS ALL GRADES ELA PERCENT *PROFICIENT* OR HIGHER[48]

	All	White	African-American	Hispanic	Low-income
State	69%	76%	52%	47%	51%
Springfield	41%	53%	46%	36%	38%
Boston	49%	73%	42%	41%	43%
Brookline	83%	88%	60%	74%	59%
Belmont	88%	90%	65%	81%	72%
Newton	87%	89%	62%	76%	66%

Figure 14. Massachusetts Four-Year Graduation Rates 2006-2013[50]

Group	2006	2007	2008	2009	2010	2011	2012	2013
All Students	79.9	80.9	81.2	81.5	82.1	83.4	84.7	85.0
Low Income	62.3	65.2	64.8	66.9	67.9	69.8	72.4	73.6
METCO	92.9	92.1	94.8	93.3	NA	NA	NA	NA
African-American	64.4	65.2	68.4	69.1	68.7	70.7	73.4	73.8
Asian	83.9	83.7	86.7	86.1	86.9	87.7	89.5	90.6
Hispanic	56.9	58.5	58.3	59.7	61.2	61.9	65.5	66.8
White	85.1	86.4	86.6	86.9	87.7	89.1	89.7	90.1
Urban Students	62.3	62.8	64.4	67.1	67.3	68.9	71.4	71.9

Achievement

Research on the effectiveness of the program has been sporadic at best. Data on MCAS results are collected in the SIMS data bank. However, the commonwealth rarely commissions research to analyze the impact its dollars have through the METCO program. In 2011, a collaboration of Pioneer Institute and the Houston Institute for Race and Justice at Harvard University Law School released the best analysis to date tracking the performance of METCO students in the paper *METCO Merits More: The History and Status of METCO*.[51] While this research is helpful in informing the discussion that the program deserves a closer look and more funding, it highlights the need for a randomly controlled trial to isolate the impact of METCO by comparing METCO students with a control group comprised of those who are on the waiting list but are not accepted into the program.

The Massachusetts Department of Elementary and Secondary Education (DESE) requires annual reporting of results on METCO.[52] In 2001, 94 percent of METCO students graduated from high school in four years, equaling the graduation rates of receiving districts.[53] That same year, 64 percent of students in Boston Public Schools and 52 percent of students in Springfield Public Schools graduated in four years.[54] High graduation rates for METCO students translated into college enrollment as well: In 2011, 88 percent of METCO students enrolled in an institution of higher learning, compared with 81 percent across the state, 58 percent from BPS, and 67 percent for SPS.

According to this report: "The findings suggest that the opportunity to learn in different educational environments coupled with the targeted support provided by METCO, Inc. is having [a] positive impact on METCO students' levels of educational achievement, their aspirations, and their levels of educational attainment."[55] The support of the community and college counselors in the suburban districts has made a strong impact on METCO students. Every year since 2006, METCO students exceed their peers in the commonwealth, Boston Public Schools, and Springfield Public Schools in their intent to pursue a higher education.[56]

METCO students also scored well on the MCAS from 2006 to 2010. METCO students halved the achievement gap in both the 3rd grade reading and 6th grade math tests. In sixth grade reading, virtually the same percentage of METCO students score proficient or higher as the commonwealth average; METCO students are able to match the average proficiency levels of the highest academically performing state in the country.[57]

Figure 15. MCAS English Language Arts 2006 – 2010 Grades 3, 6, 10
Proficient + Advanced & Proficient Massachusetts, METCO, Boston, Springfield

Gr. 3	MA	METCO	Boston	Boston Latino	Boston A.A.	Springfield	Springfield Latino	Springfield A.A.
2006	58%	45%	30%	20%	27%	38%	32%	37%
2007	59%	45%	32%	26%	27%	40%	34%	38%
2008	56%	38%	29%	23%	24%	32%	26%	35%
2009	57%	42%	31%	25%	25%	36%	29%	38%
2010	63%	58%	37%	31%	32%	39%	33%	38%

Gr. 6	State	METCO	Boston	Boston Latino	Boston A.A.	Springfield	Springfield Latino	Springfield A.A.
2006	64%	56%	36%	30%	29%	28%	22%	28%
2007	67%	64%	39%	35%	30%	29%	23%	29%
2008	67%	59%	43%	38%	37%	34%	25%	37%
2009	66%	65%	43%	36%	37%	31%	26%	31%
2010	69%	68%	44%	40%	38%	34%	29%	34%

Gr. 10	State	METCO	Boston	Boston Latino	Boston A.A.	Springfield	Springfield Latino	Springfield A.A.
2006	69%	67%	51%	40%	42%	33%	26%	22%
2007	71%	68%	50%	43%	40%	36%	26%	35%
2008	74%	67%	58%	50%	48%	46%	36%	49%
2009	81%	83%	64%	59%	56%	50%	41%	53%
2010	78%	75%	60%	54%	53%	48%	40%	50%

Figure 16. MCAS Mathematics Results 2006 - 2010
Grades 3, 6, 10 State, METCO, Boston, Springfield

Gr. 3	State	METCO	Boston	Boston Latino	Boston A.A.	Springfield	Springfield Latino	Springfield A.A.
2006	52%	35%	30%	24%	25%	32%	26%	27%
2007	60%	39%	36%	28%	31%	41%	36%	36%
2008	61%	41%	36%	29%	29%	43%	39%	42%
2009	60%	42%	33%	27%	23%	38%	31%	37%
2010	65%	51%	42%	39%	31%	41%	34%	38%

Gr. 6	State	METCO	Boston	Boston Latino	Boston A.A.	Springfield	Springfield Latino	Springfield A.A.
2006	46%	23%	20%	15%	11%	11%	7%	8%
2007	52%	41%	29%	23%	17%	13%	9%	9%
2008	56%	34%	32%	28%	22%	19%	16%	17%
2009	57%	42%	33%	27%	21%	21%	15%	16%
2010	59%	47%	38%	33%	27%	19%	16%	17%

Gr. 10	State	METCO	Boston	Boston Latino	Boston A.A.	Springfield	Springfield Latino	Springfield A.A.
2006	67%	55%	53%	45%	41%	29%	20%	28%
2007	69%	63%	55%	48%	45%	31%	22%	29%
2008	72%	56%	59%	54%	46%	37%	32%	32%
2009	75%	69%	62%	56%	51%	36%	28%	35%
2010	75%	66%	60%	55%	51%	37%	31%	36%

Current State of the Program

METCO Enrollment

Each year approximately 3,300 students participate in METCO. Total enrollment (Figure 17) has stayed remarkably constant over the past 10 years, ranging from a low of 3,269 to a high of 3,338.

METCO students make up less than 2.5 percent of total enrollment at receiving districts. Enrollment in many of the receiving districts has remained fairly steady, but some have seen large increases or decreases in the number of students served. As Figure 18 shows, enrollment in Arlington fell from almost 100 students 10 years ago to about 70 more recently, while Framingham accepted 20 students in FY06 but hasn't had any since FY08. At the same time, in other districts enrollment is rising – e.g. in Swampscott enrollment more than doubled from less than 30 to 70, and Bedford and Reading also had large increases.

It is not clear why METCO enrollment in receiving districts changes. One potential explanation is that it could be easier for receiving districts to host METCO students if the district has available space. If this is true, districts with falling enrollment may have greater willingness to accept METCO students than those with rising enrollment. However, the relationship between local enrollment growth and METCO participation is weak. While some local districts with growing enrollment have cut METCO participation, others have expanded it (and the same is true for districts with falling local enrollment). Something other than available space appears to be driving changes in METCO enrollment in receiving districts.

Funding: METCO

Massachusetts General Law is vague about funding for reducing racial imbalances, saying only that the financial assistance should include payments for the cost of educating each child (including transportation and special education costs).[58] Funding for METCO students comes from two sources – direct funding for the METCO program and the statewide education funding formula known as Chapter 70.

The METCO program itself provides approximately $5,000 per student to receiving districts. Additionally, Chapter 70 includes METCO students in the receiving districts' enrollment for purposes of the state aid

Figure 17. Total Metco Enrollment

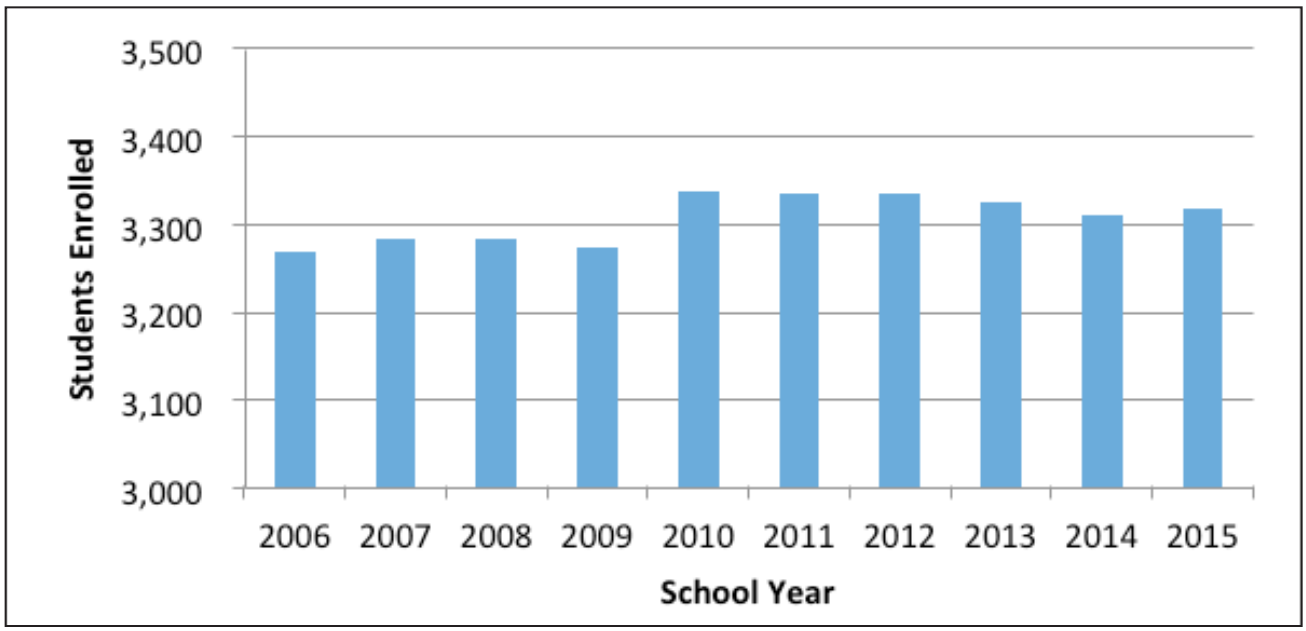


Figure 18. METCO Receiving Districts

	Receiving District Totals			METCO Enrollment	
District	Enrollment	% White	% Low Income	2014-15	Change since 2006
Arlington	5,020	76.4	11.5	71	-27
Bedford	2,539	71.2	13.2	97	29
Belmont	4,205	70.2	7.3	115	-13
Braintree	5,647	78.1	21.3	28	-16
Brookline	7,288	57.2	11.4	297	3
Cohasset	1,632	93.3	3.7	46	-7
Concord	2,178	78.8	3.9	100	-16
Concord Carlisle	1,228	81.1	4.2	61	-21
Dover	504	81	1.8	9	-2
Dover Sherborn	1,169	87	3.8	21	1
East Longmeadow	2,699	87.4	16.7	51	3
Foxborough	2,738	89	15.5	48	-1
Framingham	8,280	61.4	39.7	0	-20
Hampden Wilbraham	3,346	86.9	16	25	6
Hingham	4,237	92.3	3.9	36	-3
Lexington	6,610	55.6	7.1	237	-20
Lincoln	1,253	62.6	13.6	87	-6
Lincoln Sudbury	1,641	83.3	4.1	91	2
Longmeadow	2,857	83.1	6	38	-13
Lynnfield	2,220	88.8	7.8	43	13
Marblehead	3,293	89.1	11.1	81	11
Melrose	3,685	81.4	16.3	125	12
Natick	5,285	82.4	9.6	54	-4
Needham	5,523	81.6	6.5	153	12
Newton	12,601	65.8	11.4	415	-5
Reading	4,432	90.1	6.6	75	34
Scituate	3,122	94.6	8.5	60	2
Sharon	3,432	65.6	6.6	68	2
Sherborn	385	81	3.4	10	4
Southwick Tolland	1,709	91.8	24.4	20	0
Sudbury	2,925	83.3	4.2	70	6
Swampscott	2,293	85.2	15.4	67	37
Wakefield	3,347	89.2	10.8	51	14
Walpole	3,996	84.7	14.9	50	0
Wayland	2,690	71.9	6.5	137	7
Wellesley	5,033	76.2	5.2	158	2
Weston	2,333	71.4	3.6	179	19
Westwood	3,199	85.1	4.7	43	3
TOTAL	**136,574**	**76.7**	**11.7**	**3,317**	**48**

calculation. This means that METCO students could generate incremental state aid in addition to the direct METCO payment. The rationale for this system presumably is that the district should receive the METCO payment in addition to the amount they would receive for a local student to cover the incremental costs that came with the METCO students.

Despite its success and the long waiting list, real state funding for METCO has fallen in the past decade. METCO funding has been subject to the same budget pressures as other state programs. It grew significantly in FY07, the growth slowed in FY08, and then funding was cut in FY09, FY10, and FY11 during the recession and its aftermath. Since FY13 funding has increased modestly, but it is still more than $1 million or 6 percent below its peak from FY08 (see Figure 19).

The actual spending figures understate the decline in funding because they have not been adjusted for inflation. Even if the program had been level funded, costs have increased so that the funding has less purchasing power. Real funding for METCO has fallen 20 percent over the past 10 years, an average decrease of 2.4 percent per year.

Because enrollment stayed roughly constant, per pupil funding follows the same pattern as total funding – increases in the initial years followed by a substantial drop and incomplete recovery. More importantly, real funding per pupil has fallen from more than $5,000 to less than $4,000 (Figure 20). A portion of METCO funding is meant to cover transportation costs – the transportation grants have ranged from $1,600 to $1,800 per pupil over the past decade. Excluding these grants, the real METCO funding that is meant for instructional costs has fallen from $3,500 per pupil to less than $2,700 (real funding for transportation has also fallen).

The drop in real spending may understate the effective decline in METCO funding if the cost of education is rising faster than general inflation. Rather than evaluate real values, another method to put METCO funding in context is to compare it to average spending in the receiving districts. Ten years ago, METCO funding per pupil represented 54 percent of the average net school spending in receiving districts. While this

FIGURE 19. METCO SPENDING - ACTUAL AND REAL ($M)

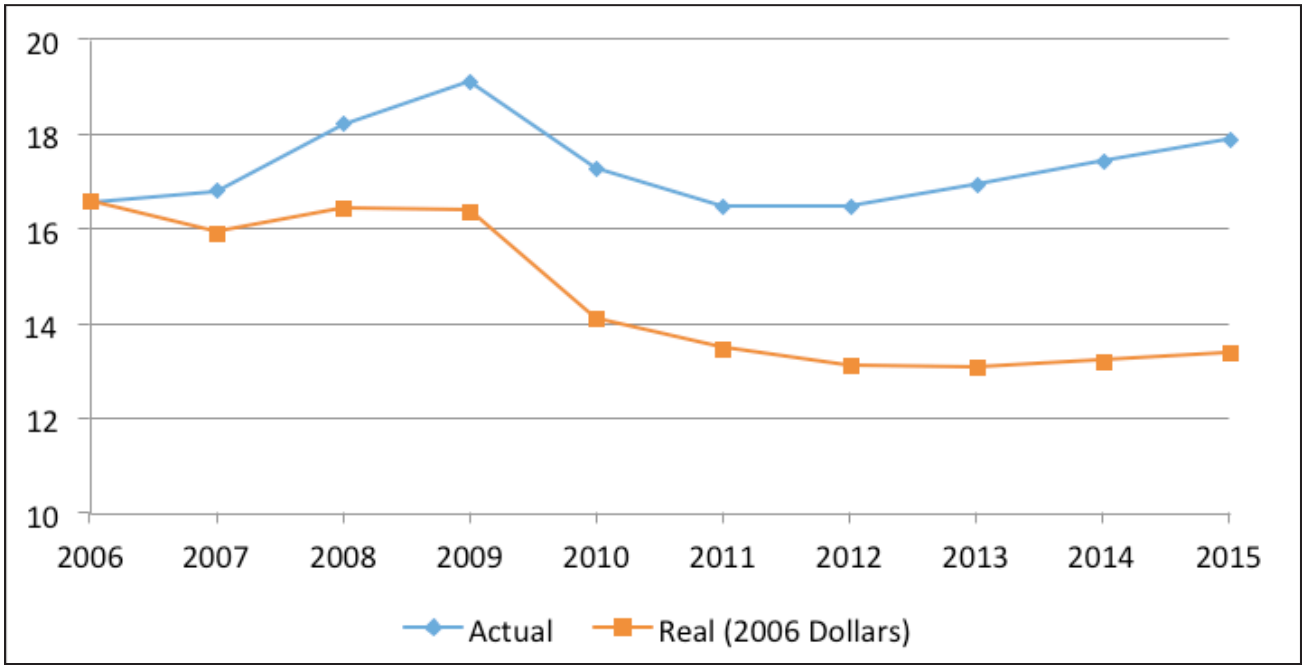
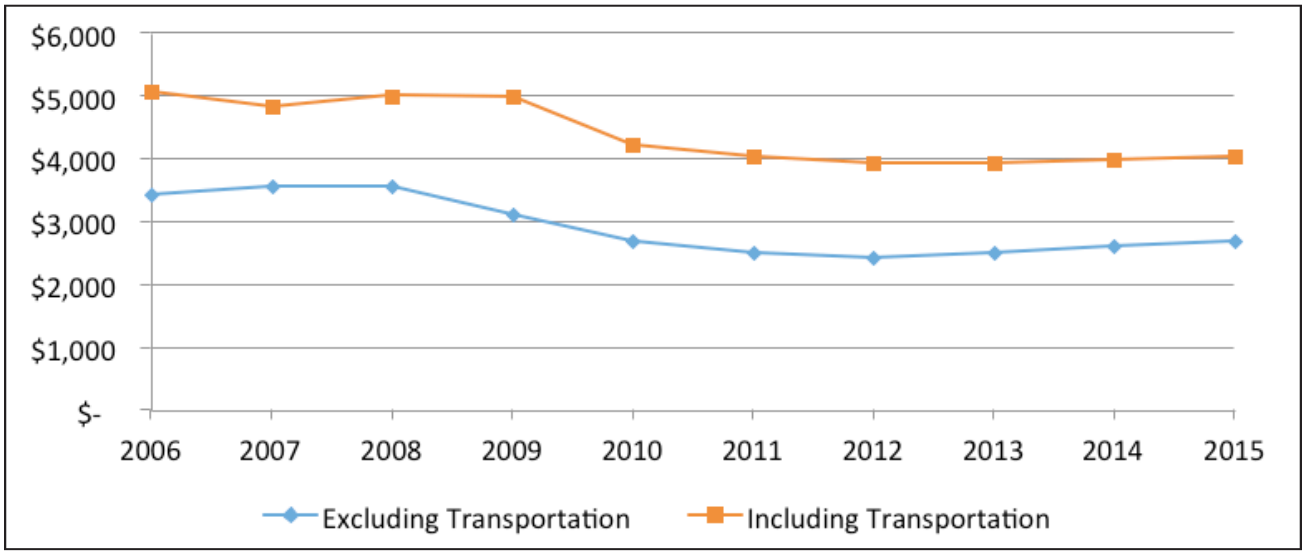


Figure 20. Metco Real Funding Per Pupil



might seem low, the marginal costs of educating an extra student are probably much lower than the average costs, and districts also potentially received additional Chapter 70 aid.

Regardless of whether the old level of funding adequately represented the cost of educating the students, changes over time have reduced the relative value of METCO payments. Over the past 10 years, spending per pupil in the receiving districts has increased by about 35 percent, while METCO spending per student increased by only 6 percent. METCO now pays 42 percent of the average spending per pupil, down from 54 percent a decade ago.

The decline in real funding forces receiving districts to bear a greater portion of educational and transportation costs. Additionally, many METCO students have special needs which drive up the cost of their education. As will be explained below, many receiving districts get additional state aid through a different mechanism, but the aid is very difficult to recognize or calculate. Given the decline in real METCO funding and the lack of transparency in other sources of funding, it is somewhat surprising that receiving districts have not reduced their participation.

Underfunding is not the only threat. METCO funding is currently a state budget line item separate from other K-12 spending, which means the program depends on the annual budget vote. This separation could explain the decline in real spending. The bulk of education funding through Chapter 70 includes an automatic partial adjustment for inflation, but METCO does not. METCO funds the education of 3,300 pupils attending public schools, and incorporating it with the rest of the education budget would ensure that it kept up with inflation and was not singled out for cuts.

Funding: METCO and Chapter 70

Any analysis of METCO funding is complicated by the interplay of METCO and Chapter 70. Unfortunately the Chapter 70 formula is quite complex, which makes it impossible to generalize about how much state aid receiving districts get for METCO students. The calculations embedded in the Chapter 70 formula mean that the amount of Chapter 70 aid for each student could potentially range from zero to more than $11,000, and the amount could also vary significantly from year to year within the same district.

When a METCO student enrolls in a new school, the receiving district's "foundation

budget" increases. The foundation budget represents the amount that a district is required to spend, and it is funded from a combination of local contribution and state aid. Chapter 70 incorporates a sliding scale that generally provides more state aid to less affluent towns and less aid to wealthier towns. The formula includes a "target" aid share from roughly 17 percent to 87 percent that represents the share of the educational cost that the state is meant to cover. For example, if a student adds $10,000 to the foundation budget, the state should in theory cover $1,700 in wealthier districts and more in other communities.[59] Whether the state actually pays the target aid share depends on many factors, including whether the district already receives more than its target share of aid as well as overall funding for Chapter 70 – in many years the state only funds a portion of the aid.

The actual impact when a METCO student enrolls in a receiving district also depends on the student's characteristics – e.g. what grade she is in, whether she speaks English or her family is low-income, etc. However, we can approximate the financial impact by assuming that a student adds $10,000 to the receiving district's foundation budget. In FY15, the increase in state aid that receiving districts would get for this student ranged from $0 to the entire $10,000, as shown in Figure 21.

Thirty out of the 37 districts received either no additional aid (14 districts) or roughly $615 per pupil (16 districts), while seven districts received $10,000 per pupil. Including the direct METCO funding brings the additional state aid to receiving districts to a total between $4,200 and more than $17,000 – obviously a vast disparity. The average per student is approximately $8,900, but the large variation means that districts that are almost identical could face vastly different financial burdens for METCO students. The argument that suburban school districts are subsidizing the Boston and Springfield public school systems is too simplistic; the more complex reality is that some receiving districts get substantially more aid than others, while Springfield loses money when students join METCO.

The dramatic differences in funding do not seem to influence districts' decisions about how many METCO students to accept - perhaps in part because the impact is difficult to calculate. Five of the seven districts that would receive the most state aid have reduced enrollment in the past few years, while only ten of the thirty districts receiving almost no Chapter 70 aid have cut enrollment. Total enrollment in these seven districts has fallen by 41 students while it increased by 22 in the districts receiving less generous aid packages.

The treatment of METCO students in the Chapter 70 formula has implications not only for the local districts, but also for the state. METCO students are not counted in enrollment in the sending districts of Boston or Springfield. This transfer of students means that the foundation budgets in Boston and Springfield are roughly $35 million lower than they would be without METCO, which could result in less state aid to those cities.

In Boston, changes in enrollment have essentially no impact on state aid; the district gets the same state aid after the METCO students leave, leaving the district with the same funding but lower enrollment. This means that the direct METCO expenditures as well as any incremental Chapter 70 aid to receiving costs reflect the net cost to the state; between $5,400 and $15,000 per pupil depending on the receiving district.

In Springfield the situation is significantly different; a student leaving for METCO reduces state aid by the entire drop in the foundation budget - $10,000 per student in the hypothetical example above. More than 130 students from Springfield participate in METCO, which reduces state aid by $1.4 million. These students generated approximately $750,000 in METCO aid to the receiving districts, but none received any additional Chapter 70 aid. The net cost to the state of the Springfield METCO program

Figure 21. Approximate Aid Per METCO Pupil, Receiving Districts

District	METCO	Chapter 70	Total
Arlington	$5,470	$10,000	$15,500
Bedford	$5,870	$616	$6,500
Belmont	$4,700	$10,000	$14,700
Braintree	$7,660	$10,000	$17,700
Brookline	$4,640	$10,000	$14,600
Cohasset	$5,760	$613	$6,400
Concord	$4,970	$10,000	$15,000
Concord Carlisle	$6,020	$612	$6,600
Dover	$3,580	$613	$4,200
Dover Sherborn	$6,370	$612	$7,000
East Longmeadow	$5,180	$0	$5,200
Foxborough	$5,340	$0	$5,300
Hampden Wilbraham	$5,490	$0	$5,500
Hingham	$5,820	$0	$5,800
Lexington	$5,800	$612	$6,400
Lincoln	$5,430	$613	$6,000
Lincoln Sudbury	$5,140	$613	$5,800
Longmeadow	$5,500	$0	$5,500
Lynnfield	$5,260	$0	$5,260
Marblehead	$5,540	$0	$5,500
Melrose	$5,160	$0	$5,200
Natick	$5,940	$10,000	$15,900
Needham	$5,580	$613	$6,200
Newton	$5,420	$10,000	$15,400
Reading	$5,150	$0	$5,100
Scituate	$6,470	$0	$6,500
Sharon	$6,010	$0	$6,000
Sherborn	$3,580	$612	$4,200
Southwick Tolland	$6,530	$0	$6,500
Sudbury	$6,020	$0	$6,000
Swampscott	$5,740	$612	$6,400
Wakefield	$5,160	$612	$5,800
Walpole	$5,750	$0	$5,800
Wayland	$4,940	$612	$5,600
Wellesley	$5,310	$613	$5,900
Weston	$5,080	$612	$5,700
Westwood	$5,290	$612	$5,900
METCO Average per student	**$5,390**	**$3,500**	**$8,900**

is negative – i.e. the state provides $700,000 less aid than it would have to if the students stayed in Springfield.

The complexity of the Chapter 70 formula suggests that both sending and receiving districts may not understand how METCO affects their finances. In particular, receiving districts may misunderstand the state aid they receive for each METCO student – they may erroneously believe that it is only the direct METCO grant. At the same time, the current set-up results in wildly differing amounts of aid, as well as one portion of aid that is not adjusted for inflation while other portions are adjusted.

Incorporating METCO into Chapter 70

The Chapter 70 state aid formula offers a logical way to correct the shortcomings in METCO funding. METCO could be fully incorporated into the Chapter 70 line item, rather than existing half in and half out of the formula as it does today.

This change would provide several benefits. First, it would protect METCO from shifting whims or annual budgetary pressures. Fully incorporating METCO funding into the formula would also ensure that METCO is not reduced through neglect or attrition – i.e. by level funding it every year so that the real value falls. The METCO direct payment could be adjusted for inflation along with the foundation budget – automatically and without the need to adjust a separate line item. Of course the Legislature could still change METCO funding, but it would require an active decision rather than simple neglect; the program would not be as vulnerable as it as a separate line item.

As with any change to the Chapter 70 formula, there are many details that determine the ultimate outcome. However, a reasonable approach would fulfill two requirements. First, it would incorporate the direct METCO funding into overall state aid calculation, with an automatic adjustment for inflation. Second, it would require that every receiving district receives the full target aid share for each METCO student. This provision would ensure that the minimum additional Chapter 70 funding for FY15 would have been approximately $1,750 per student, and that lower income districts receive additional funding. Had this provision been in place this year, Chapter 70 aid to the receiving districts would have increased by $3 million.

In total, merging METCO into the Chapter 70 formula would protect the funding from cuts, automatically adjust for inflation, provide slightly more aid for some receiving districts, and ensure that the funding is more stable and easier to predict. It could also make the funding more transparent so that receiving districts better understood the impact of METCO. These changes could encourage districts to maintain or perhaps even increase their participation and refute the perception that METCO is a financial drain on receiving districts.

Expanding METCO

METCO has a long waiting list and proven success at improving graduation rates and closing the achievement gap. An expansion of METCO could provide thousands of inner city minority students with improved educational opportunities. METCO could be expanded in two ways – increasing enrollment in Boston and Springfield as well as starting programs in additional urban areas.[60]

Expanding to serve the entire waiting list of 10,000 students would require the program to be roughly 4 times as large as it is currently and is not feasible. A more reasonable plan could allow the current program in Boston and Springfield to accommodate an additional 500 students. At the same time, METCO could be extended to allow 1,500 students in other gateway cities to participate. The total expansion would allow an additional 2,000 students to participate, 60 percent growth over the existing program.

Once fully phased in, the expansion of METCO by 2,000 students would require increased

annual expenditures of roughly $15 million to $18 million in METCO and Chapter 70 aid to receiving districts (the exact figure depends primarily on which receiving districts the students attend as well as to a lesser extent on the characteristics of the METCO students). If the Chapter 70 formula were changed as suggested above to guarantee that receiving districts got at least the target aid share, state aid would increase by an extra $2 million and the total cost would rise to $16 million to $20 million.

While the exact cost depends on where new METCO students come from and which districts they attend, an example of the potential impact of expansion is illustrated in Figure 22. A significant portion of the increased cost would be offset by reduced Chapter 70 aid to the sending districts. In seven of the 11 original Gateway cities a reduction in enrollment has a large impact on Chapter 70 aid, which means that expanding METCO into the new cities has less net cost to the state.

Including expansion in Boston, the net cost of a 2,000 student expansion would be roughly $6 million ($8 million if the recommended changes to the formula were adopted). This amount is trivial when compared to the total funding for education. This 0.1 percent increase in state aid would directly impact the lives of 2,000 students and help to reduce the achievement gap.

In FY 2015 the state spent $14 million to provide minimum aid in the Chapter 70 formula – a category of aid that gives every district $25 per student with no justification or rationale other than political expediency. Reducing minimum aid by $7 per student would free up enough funding to cover the entire cost of expanding METCO to 2,000 new students.

Recommendations

On the 60th anniversary of the Brown v. Board of Education ruling, fulfilling the promise of equality requires the funding and encouragement for participation in programs that close the achievement gap; in that effort, Gary Orfield

Figure 22. Approximate Financial Impact of METCO Expansion w/ Current Law

District	METCO Students	Change in Chapter 70 & METCO Aid ($ millions)		
		Sending Districts	Receiving districts	Net Change in Aid
Boston	250	$0.0	$2.2	$2.2
Springfield	250	-$2.5	$2.2	-$0.3
Brockton	210	-$2.1	$1.9	-$0.2
Fall River	134	-$1.3	$1.2	-$0.1
Fitchburg	66	-$0.7	$0.6	-$0.1
Haverhill	96	-$0.2	$0.9	$0.7
Holyoke	79	$0.0	$0.7	$0.7
Lawrence	177	-$1.8	$1.6	-$0.2
Lowell	181	-$1.8	$1.6	-$0.2
New Bedford	159	-$1.6	$1.4	-$0.2
Pittsfield	75	$0.0	$0.7	$0.7
Worcester	323	$0.0	$2.9	$2.9
Total	**2,000**	**-$12.0**	**$18.0**	**$6.0**
Total per pupil		**-$6,000**	**$9,000**	**$3,000**

asserts, "Massachusetts could do far better."[61] Currently, charter schools and the METCO program are closing the achievement gap at the fastest rates in the commonwealth, with approximately 50,000 students on waitlists for these opportunities. In the face of stagnant achievement gaps and increasing segregation, the commonwealth must develop a better knowledge of and response to the success and failures in public education by implementing data-driven, proven reform methods and using research to determine future paths. Increasing funding to the METCO program and incorporating it into the general K- 12 education budget will work towards fulfilling that promise by requiring accountability and transparency.

Incorporation into Chapter 70

As long as METCO is a separate line item, it is vulnerable during the legislative process. This leads to uncertainty and the potential that funding could be cut. It may also explain why METCO has been roughly level funded while Chapter 70 automatically adjusts for inflation. Funding for the METCO program could be incorporated into the formula as described above to promote stability. Although the legislation for Chapter 70 is notoriously difficult to understand, building METCO into the formula could actually increase transparency so that receiving districts had a better understanding of the impact of METCO on their budgets.

Increased Transparency and Accountability

The department of education collects data on all METCO students, giving it the capacity to annually provide richer data and information on the impact of the program on different groups of participants. The current report provides only graduation rates as a key indicator of attainment. A report by Pioneer Institute, METCO Merits More, was the first research paper in decades to publish an analysis of METCO's MCAS results, providing a closer look at attainment at all grade levels. As a state-funded program affecting thousands of students, greater effort should be made to monitor and measure the impact. Most importantly, the research should include study comparing the educational achievement of students who gain a spot off of the waitlist and those that do not.

Increased accountability on the part of the commonwealth must be met with transparency from METCO, Inc. Better records on the demographics of the students participating and waiting to participate must be made available by the state. Additionally, detailed information on the size of the waitlist and the procedure by which students are selected off of the waitlist should be annually published.

Expansion

METCO provides a valuable educational alternative for thousands of students in Boston and Springfield. The massive waitlist indicates that the program is popular among families with the potential to grow substantially. Expansion to serve more students in Boston, Holyoke, Pittsfield, and Worcester would cost approximately $8,000 per student, while growth in Springfield and the other gateway cities reduces overall state expenditures. The total cost of balanced expansion combined with funding reform would be a tiny fraction of education expenditures with the potential to affect the lives of thousands of students.

Conclusion

There are over 77,000 students in Massachusetts trapped in failing urban schools while racial and economic isolation continues to rise in these districts. As one expert has noted in his comprehensive Civil Rights Project study of Massachusetts: "segregation has a vicious, self-perpetuating logic of its own that will proceed to spread and damage communities in more suburban and satellite cities unless it is cut off by serious strategies and determination." Massachusetts must live up to its proudly worn and often touted role as a leader in K-12 education and eliminate segregation "root and

branch". Moving forward, that effort should begin by strengthening a proven pathway of success for urban minority students: METCO.

About the Authors

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Pioneer Institute is an independent, non-partisan, privately funded research organization that seeks to change the intellectual climate in the Commonwealth by supporting scholarship that challenges the "conventional wisdom" on Massachusetts public policy issues.

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