R00A03
Funding for Educational Organizations
Maryland State Department of Education

Operating Budget Data

($ in Thousands)

	FY 10 Actual	FY 11 Working	FY 12 Allowance	FY 11-12 Change	% Change Prior Year
General Fund	$21,926	$22,516	$22,586	$70	0.3%
Adjusted General Fund	**$21,926**	**$22,516**	**$22,586**	**$70**	**0.3%**
Special Fund	4,399	4,440	4,440	0	
Adjusted Special Fund	**$4,399**	**$4,440**	**$4,440**	**$0**	**0.0%**
Adjusted Grand Total	**$26,325**	**$26,956**	**$27,026**	**$70**	**0.3%**

- The fiscal 2012 allowance increases $70,000 over the 2011 working appropriation.
- The Maryland School for the Blind (MSB) receives a $109,769 increase based on an increase in the State per pupil foundation amount. The Budget Reconciliation and Financing Act of 2011 includes a per pupil reduction for most public school formulas, but this reduction is not being applied to MSB's formula in the 2012 allowance.
- Blind Industries and Services of Maryland (BISM) receives a $39,990 (7%) decrease as a cost containment measure.

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

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Analysis in Brief

Major Trends

Maryland School for the Blind: The school awarded eight certificates and one diploma in fiscal 2010. The school has a goal to help students learn independent living skills that allow them to achieve success as graduates or when they return to their local schools. Fewer graduates were employed or in school or training in 2010 than in prior years.

Blind Industries and Services of Maryland: The number of training hours provided was close to, or above, the objective of 35,030 annually from fiscal 2007 to 2010. BISM had an average of 133 participants annually during this time. An intensive program to obtain employment or higher education had 15 participants in 2010.

Recommended Actions

		Funds
1.	Reduce general funds for State Aided Institutions by 10%, or $413,145, due to the State's current fiscal constraints.	$ 413,145
2.	Reduce special funds for nonpublic textbooks by $444,000 to be transferred to Medicaid.	444,000
	Total Reductions	**$ 857,145**

R00A03

Funding for Educational Organizations

Maryland State Department of Education

Operating Budget Analysis

Program Description

The Maryland State Department of Education (MSDE) provides funding to certain nonprofit organizations that offer educational programs. The nonprofits include the Maryland School for the Blind (MSB), Blind Industries and Services of Maryland (BISM), and other institutions designated as "State Aided Institutions" (SAIs). This part of MSDE's budget also funds the Nonpublic School Textbook Program, which provides grants to eligible nonpublic schools for textbook and computer supplies.

The following educational services are provided by the nonprofits:

MSB educates students from birth through age 21 who are blind, severely visually impaired, or visually impaired/multi-disabled.

BISM provides employment, training, and rehabilitation services to blind adults at three locations.

SAI Programs

- ***Alice Ferguson Foundation*** operates an environmental education center on the Potomac River, offering field trips and a summer science camp on a working farm;

- ***Alliance of Southern Prince George's Communities, Inc***. partners with community organizations to provide Scholastic Aptitude Test courses, tutoring for students, and parent workshops;

- ***American Visionary Art Museum*** provides museum tours and library visits to students and teachers, along with Internet programs about self-taught artists;

- ***Baltimore Museum of Industry*** provides hands-on exhibits enabling students to apply mathematics, science, and technology to work and industry, as well as a training center for technology education teachers;

- ***Baltimore Symphony Orchestra/Arts Excel*** enhances teaching of the arts through mid-week concerts for students and teachers;

- ***B & O Railroad Museum, Inc.*** offers a program focusing on history, social studies, and sciences as related to railroad technology;

- ***Best Buddies*** pairs special and general education students in middle and high schools in order to foster inclusion and build socialization skills;

- ***Chesapeake Bay Foundation*** provides an environmental education program encompassing student field experiences at 16 centers and summer in-service courses for teachers;

- ***Chesapeake Bay Maritime Museum*** offers experiential learning programs about the Chesapeake Bay, including a field trip program for third grade students;

- ***Citizenship Law-related Education Program*** gives students real-world experiences related to the legal system to promote productive citizenship;

- ***College Bound Foundation*** provides college advisors in Baltimore City public high schools to encourage and assist students in continuing their education beyond high school;

- ***Dyslexia Tutoring Program, Inc.*** offers screening and tutoring services for dyslexic youth and adults who have average or higher basic intelligence and cannot afford private help;

- ***Echo Hill Outdoor School*** provides instruction in science, ecology, history, and the human environment through student field experiences;

- ***Imagination Stage*** produces professional theatre productions for children as part of a theatre arts center for young people;

- ***The Jewish Museum of Maryland*** supports on-site and outreach programs focusing on the history, tradition, and culture of Jewish life in Maryland;

- ***Junior Achievement of Central Maryland, Inc***. provides a one-day Exchange City program that simulates owning and operating business enterprises;

- ***Living Classrooms Foundation*** provides outdoor hands-on experience to at-risk children in mathematics, science, and social studies and runs job-training programs;

- ***Maryland Academy of Sciences*** cultivates interest in science through programs for visiting school groups, traveling science programs, and instructional materials for use by teachers;

- ***Maryland Historical Society*** enriches students' understanding of social studies through on-site and outreach programs;

- ***Maryland Humanities Council*** promotes humanities programming throughout Maryland;

- ***Maryland Leadership Workshops, Inc.*** teaches middle and high school students effective leadership skills in a residential summer program setting;

- ***Maryland Mathematics, Engineering, and Science Achievement Program*** partners with community organizations in providing programs aimed at improving Maryland students' preparation for the study of mathematics-related fields in college;

- ***Maryland Zoo in Baltimore*** provides a conservation education experience at the zoo or through a mobile outreach program;

- ***National Aquarium in Baltimore*** supports environmental and science education through on-site programs about aquatic environments;

- ***National Great Blacks in Wax Museum*** provides exhibit tours and other museum-related activities for students;

- ***National Museum of Ceramic Art and Glass*** offers an in-school and after-school ceramic art program for middle school students, relating art to other subjects in the curriculum;

- ***NorthBay*** is an environmental education center on the Elk Neck peninsula that focuses on five-day outdoor learning courses for middle school students;

- ***Olney Theatre Center*** supports the language arts high school curriculum through professional performances, interactive workshops, and teacher development;

- ***Outward Bound*** provides high school students a challenging educational experience in an outdoor setting, designed to develop self-esteem, community service involvement, and concern for the environment;

- ***Port Discovery Children's Museum*** provides hands-on activities for pre-kindergarten through sixth grade student visitors, as well as lesson plans for teachers;

- ***Salisbury Zoological Park*** provides programs that enhance the science curriculum and furnishes support material and in-service training for teachers;

- ***Sotterley Foundation*** provides a history enrichment program focusing on the people and culture surrounding the Tidewater Tobacco Plantation;

- ***South Baltimore Learning Center*** supports improving adult literacy to individuals in the South Baltimore area through one-on-one tutoring, General Education Diploma classes, and career counseling;

- ***State Mentoring Resource Center*** connects volunteer adult mentors with disadvantaged school children;

- ***Sultana Projects, Inc.*** provides educational programs to increase student understanding of history and awareness of the natural environment of the Chesapeake Bay and its watershed;

- ***SuperKids Camp*** provides an intensive summer reading and enrichment program for third and fourth grade students in Baltimore City;

- ***The Village Learning Place*** provides students in the Margaret Brent Elementary School and in the Charles Village Community at large with programs aimed at increasing performance in reading and mathematics;

- ***Walters Art Museum*** offers educational programs through tours, studio experiences, outreach, and teacher development; and

- ***Ward Museum of Wildfowl Art*** provides environmental education programs focusing on art, history, and science through tours and hands-on activities adaptable to a school setting.

Performance Analysis: Managing for Results

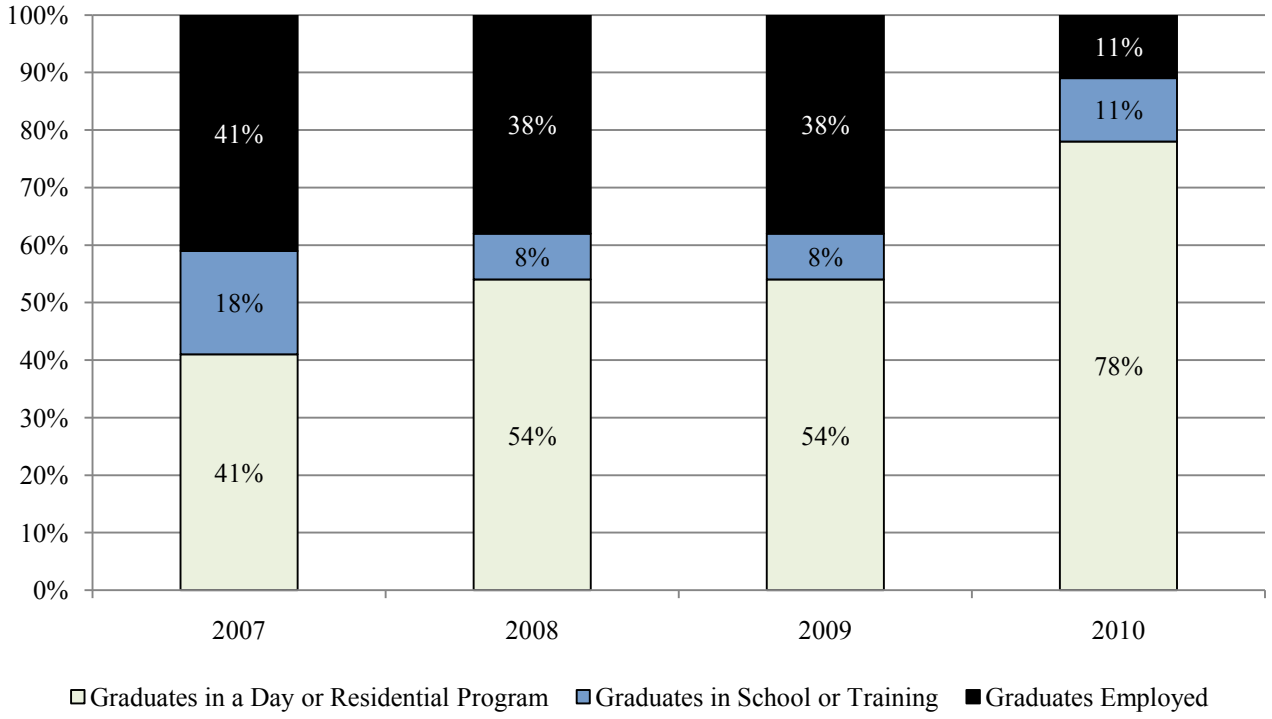
Maryland School for the Blind

MSB educates students referred from all 24 local school systems on a day or residential basis according to their Individualized Education Plans. The program includes regular education curriculum as well as instruction in Braille, orientation and mobility, and independent living skills. MSB has about 100 students each year in its residential program and about 88 students each year in its day program.

One of MSB's goals is that all students who pursue education at the school will receive a diploma or certificate with zero dropouts. The school has achieved a zero-dropout rate since at least fiscal 2008. The number of certificates awarded was 8 in 2010, compared to 11 in fiscal 2009 and 2008. The number of diplomas awarded was one in 2010, compared to two in 2009 and 2008.

MSB has another goal that students learn independent living skills that allow them to achieve success as graduates or when they return to their local schools. The average length of stay for students at MSB is five years. **Exhibit 1** shows a breakdown of post-graduate outcomes since fiscal 2007, including whether students are in a day or residential program, are in school or training, or are employed.

Exhibit 1
Maryland School for the Blind
Post-graduate Outcomes
Fiscal 2007-2010



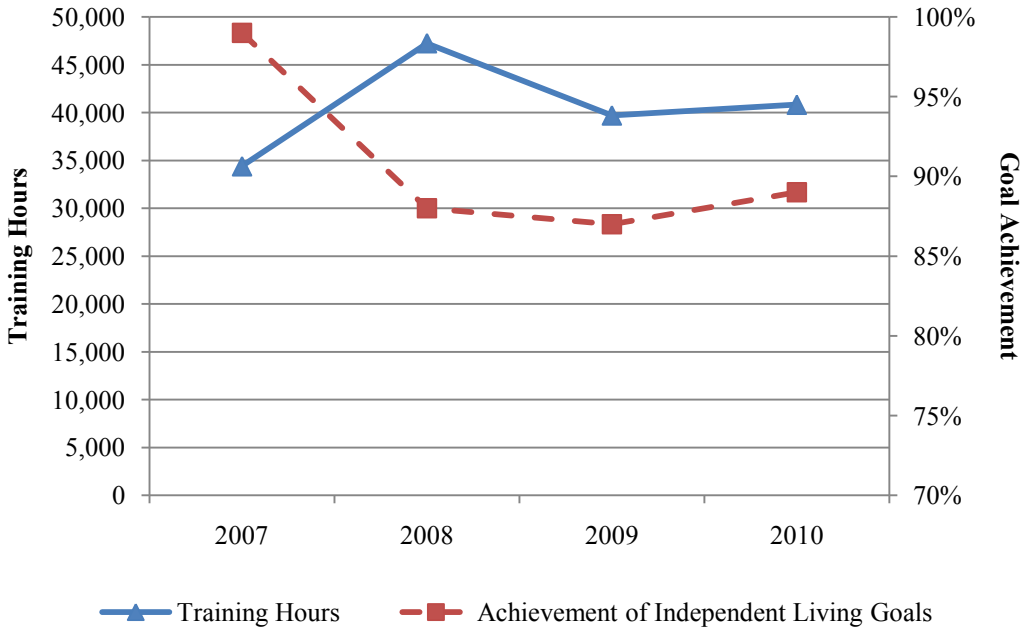
Source: Governor's Budget Books, Fiscal 2009-2012

Blind Industries and Services of Maryland

One of BISM's goals is to help people who are blind or low vision to gain the blindness skills and confidence needed to live independently. A related objective is to provide at least 35,030 hours annually of training in blindness skills, such as Braille reading, cane travel, career exploration, woodshop, and community-based training.

As shown in **Exhibit 2**, the number of training hours provided was close to or above the objective in fiscal 2007 to 2010, averaging 40,500 annually. The percent of participants achieving their independent living goals has been at least 87% since 2007, as shown in Exhibit 2. BISM had an average of 133 participants annually during this time.

Exhibit 2
Blind Industries and Services of Maryland
Achievement of Independent Living
Fiscal 2007-2010



Note: Data for participants achieving independent living goals is from participant surveys.

Source: Governor's Budget Books, Fiscal 2009- 2012

Another BISM goal is to help people who are blind or low vision to become successful in a career path commensurate with their skills, abilities, and interests. A related objective is for BISM to provide the Comprehensive Orientation, Rehabilitation, and Empowerment (CORE) program to help participants obtain employment or pursue higher education. CORE is an intensive residential training program. There were 15 participants in the CORE program in 2010, compared to 19 in 2009 and 20 in 2008.

Proposed Budget

The fiscal 2012 allowance for the Funding for Educational Organizations program is $27 million, a $70,000 overall increase from the 2011 working appropriation. **Exhibit 3** shows changes by fund and program. **Appendix 3** shows the allowance by program.

Exhibit 3
Proposed Budget
MSDE – Funding for Educational Organizations
($ in Thousands)

How Much It Grows:	General Fund	Special Fund	Total
2011 Working Appropriation	$22,516	$4,440	$26,956
2012 Allowance	22,586	4,440	27,026
Amount Change	$70	$0	$70
Percent Change	0.3%		0.3%
Contingent Reductions	0	0	$0
Adjusted Change	$70	$0	$70
Adjusted Percent Change	0.3%	0.0%	0.3%

Where It Goes:

General Fund Changes

Maryland School for the Blind per pupil and enrollment adjustment	$110
Blind Industries and Services of Maryland cost containment	-40
Total	**$70**

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

General funds for MSB increase by $109,769 from fiscal 2011 to 2012. The formula for the school is based on enrollment growth and the growth in State per pupil funding provided to local school systems. Enrollment in fiscal 2012 is estimated to be 208 students, which is the same as 2011. The school's formula has an adjustment that reflects the four-year moving average of student enrollment, which softens the effect of enrollment increases and decreases. The school's funding increase is the result of an increase in the per pupil foundation from $6,694 to $6,749. The Budget Reconciliation and Financing Act of 2011 includes a per pupil reduction for most public school formulas to $6,599, but this reduction is not being applied to MSB's formula in the 2012 allowance. If the per pupil reduction were applied, general funds for MSB would be level with the fiscal 2011 amount. The Department of Budget and Management reports that it does not want MSB students to be adversely affected by level funding.

General funds for BISM decrease by $39,990, or 7%. Funds are reduced as a cost containment measure. The 2012 allowance contains no changes in funding for SAIs or the Nonpublic Textbook Program. **Exhibit 4** shows how funds are allocated among SAIs.

Exhibit 4
State-aided Institutions
Fiscal 2011-2012

Program/Grantee	2011 Working Appropriation	2012 Allowance
Alice Ferguson Foundation	$53,486	$53,486
Alliance of Southern Prince George's Communities, Inc.	21,394	21,394
American Visionary Art Museum	10,134	10,134
B & O Railroad Museum, Inc.	40,537	40,537
Baltimore Museum of Industry	54,049	54,049
Baltimore Symphony Orchestra/Arts Excel	42,789	42,789
Best Buddies	106,972	106,972
Chesapeake Bay Foundation	280,943	280,943
Chesapeake Bay Maritime Museum	13,512	13,512
Citizenship Law-related Education Program	19,705	19,705
College Bound Foundation	24,210	24,210
Dyslexic Tutoring Program, Inc.	24,210	24,210
Echo Hill Outdoor School	36,033	36,033
Imagination Stage	160,459	160,459
The Jewish Museum of Maryland	8,445	8,445
Junior Achievement of Central Maryland, Inc.	27,024	27,024
Living Classrooms Foundation	204,937	204,937
Maryland Academy of Sciences/Maryland Science Center	588,352	588,352
Maryland Historical Society	80,510	80,510
Maryland Humanities Council	28,150	28,150
Maryland Leadership Workshops, Inc.	29,277	29,277
Maryland Mathematics, Engineering, and Science Achievement Program	51,234	51,234
Maryland Zoo in Baltimore	547,251	547,251
National Aquarium in Baltimore	319,792	319,792
National Great Blacks in Wax Museum	27,024	27,024
National Museum of Ceramic Art and Glass	13,512	13,512
NorthBay	625,000	625,000
Olney Theater Center	94,023	94,023
Outward Bound	85,578	85,578

Program/Grantee	2011 Working Appropriation	2012 Allowance
Port Discovery Children's Museum	74,881	74,881
Salisbury Zoological Park	11,823	11,823
Sotterley Foundation	8,445	8,445
South Baltimore Learning Center	27,024	27,024
State Mentoring Resource Center	51,234	51,234
Sultana Projects, Inc.	13,512	13,512
SuperKids Camp	263,490	263,490
The Village Learning Place	29,277	29,277
Walters Art Museum	10,697	10,697
Ward Museum of Wildfowl Art	22,521	22,521
Total	**$4,131,446**	**$4,131,446**

Source: Governor's Budget, Fiscal 2012

Recommended Actions

		Amount Reduction	
1.	Reduce general funds for State Aided Institutions by 10%, or $413,145, due to the State's current fiscal constraints. With this reduction, $3.7 million would remain for fiscal 2012.	$ 413,145	GF
2.	Reduce special funds for nonpublic textbooks by $444,000 to be transferred to Medicaid. Special funds from the Cigarette Restitution Fund for Medicaid in fiscal 2012 are $20 million below 2011 because of declining Master Settlement Agreement payments and other revenue adjustments.	444,000	SF
	Total Reductions	**$ 857,145**	
	Total General Fund Reductions	**$ 413,145**	
	Total Special Fund Reductions	**$ 444,000**	

Appendix 1

Current and Prior Year Budgets

Current and Prior Year Budgets
MSDE – Funding for Educational Organizations
($ in Thousands)

	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2010					
Legislative Appropriation	$23,234	$4,440	$0	$0	$27,674
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	0	0	0	0
Cost Containment	-1,309	0	0	0	-1,309
Reversions and Cancellations	0	-41	0	0	-41
Actual Expenditures	**$21,926**	**$4,399**	**$0**	**$0**	**$26,325**
Fiscal 2011					
Legislative Appropriation	$22,516	$4,440	$0	$0	$26,956
Budget Amendments	0	0	0	0	0
Working Appropriation	**$22,516**	**$4,440**	**$0**	**$0**	**$26,956**

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

Fiscal 2010

The fiscal 2010 budget closed at $26.3 million, which was $1.3 million less than the legislative appropriation. The Board of Public Works reduced general fund appropriations to State-aided Institutions across-the-board by $478,494 in July 2009 and by $800,000 in August 2009. BISM received a 5% general fund reduction, amounting to $30,068. A special fund cancellation of $41,000 was made to align the budget for nonpublic textbooks with actual expenditures.

Object/Fund Difference Report
MSDE – Funding for Educational Organizations

Object/Fund	FY 10 Actual	FY 11 Working Appropriation	FY 12 Allowance	FY 11 - FY 12 Amount Change	Percent Change
Objects					
08 Contractual Services	$ 4,399,217	$ 0	$ 0	$ 0	0.0%
12 Grants, Subsidies, and Contributions	21,925,554	26,955,902	27,025,681	69,779	0.3%
Total Objects	**$ 26,324,771**	**$ 26,955,902**	**$ 27,025,681**	**$ 69,779**	**0.3%**
Funds					
01 General Fund	$ 21,925,554	$ 22,515,902	$ 22,585,681	$ 69,779	0.3%
03 Special Fund	4,399,217	4,440,000	4,440,000	0	0%
Total Funds	**$ 26,324,771**	**$ 26,955,902**	**$ 27,025,681**	**$ 69,779**	**0.3%**

Note: The fiscal 2011 appropriation does not include deficiencies. The fiscal 2012 allowance does not include contingent reductions.

Fiscal Summary
MSDE – Funding for Educational Organizations

Program/Unit	FY 10 Actual	FY 11 Wrk Approp	FY 12 Allowance	Change	FY 11 - FY 12 % Change
01 Maryland School for the Blind	$ 17,847,830	$ 17,813,174	$ 17,922,943	$ 109,769	0.6%
02 Blind Industries and Services of Maryland	571,282	571,282	531,292	-39,990	-7.0%
03 Other Institutions	3,506,442	4,131,446	4,131,446	0	0%
04 Aid to Nonpublic Schools	4,399,217	4,440,000	4,440,000	0	0%
Total Expenditures	**$ 26,324,771**	**$ 26,955,902**	**$ 27,025,681**	**$ 69,779**	**0.3%**
General Fund	$ 21,925,554	$ 22,515,902	$ 22,585,681	$ 69,779	0.3%
Special Fund	4,399,217	4,440,000	4,440,000	0	0%
Total Appropriations	**$ 26,324,771**	**$ 26,955,902**	**$ 27,025,681**	**$ 69,779**	**0.3%**

Note: The fiscal 2011 appropriation does not include deficiencies. The fiscal 2012 allowance does not include contingent reductions.