

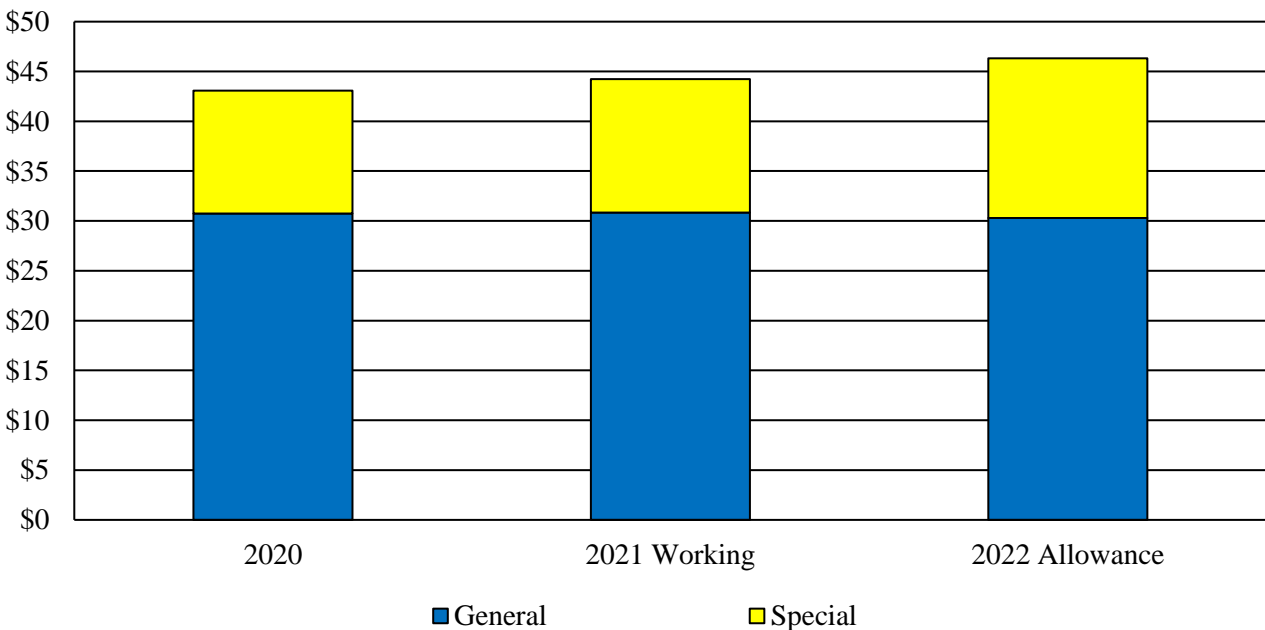
R00A03
Funding for Educational Organizations
Maryland State Department of Education

Executive Summary

Nonprofit organizations and nonpublic schools, including the Maryland School for the Blind (MSB) and Blind Industries and Services of Maryland (BISM), receive grants through the Maryland State Department of Education (MSDE) for various education programs operated under Funding for Educational Organizations.

Operating Budget Summary

Fiscal 2022 Budget Increases by \$2.1 Million, or 4.7%, to \$46.3 Million
(\$ in Millions)



Note: Fiscal 2021 includes deficiency appropriations, planned reversions, and general salary increases. Fiscal 2022 includes contingent reductions, annual salary review adjustments, and annualization of general salary increases.

- The fiscal 2022 increase reflects an additional \$2.6 million in special funds for the Broadening Options and Opportunities for Students Today (BOOST) program, offset by a decrease of \$546,343 in general funds for Other Institutions programming. MSB, BISM, and the Aid to Non-Public Schools Program are level funded in this budget.

Key Observations

- ***MSB Submits Sustainability Report:*** In 2020, the budget committees asked MSB to submit a report on the school’s financial sustainability through fiscal 2023. This study found that MSB’s formula funding is not keeping pace with the school’s rising personnel costs.
- ***Governor’s Budget Increases Allocation to BOOST Program:*** The Governor’s budget increases funding for BOOST in fiscal 2022 by \$2.6 million to \$10 million. In fiscal 2021, MSDE distributed \$7.1 million out of a \$7.4 million working appropriation for this program.

Operating Budget Recommended Actions

	<u>Funds</u>
1. Amend language regarding the No Child Left Behind Act and distribution of funding for the Aid to Non-Public Schools Program.	
2. Amend language to require programs participating in the Aid to Non-Public Schools Program to submit student handbooks or admissions policies.	
3. Add language regarding nondiscrimination requirements for the Aid to Non-Public Schools Program.	
4. Amend language to the Broadening Options and Opportunities for Students Today Program to specify that participating nonpublic schools must have participated in the Aid to Non-Public Schools Program during the 2020-2021 school year.	
5. Amend language to restore the Broadening Options and Opportunities for Students Today Program administrative and reporting requirements.	
6. Reduce Cigarette Restitution Funding for the Broadening Options and Opportunities for Students Today Program.	\$2,903,849
7. Adopt committee narrative for a report on the distribution of the Governor’s Emergency Education Relief funds to nonpublic schools.	
Total Reductions	\$2,903,849

R00A03
Funding for Educational Organizations
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Operating Budget Analysis

Program Description

The Maryland State Department of Education (MSDE) provides funding to certain nonprofit organizations that offer educational programs. These nonprofits include the Maryland School for the Blind (MSB), the Blind Industries and Services of Maryland (BISM), and other educational institutions that merit the department’s support. This part of the MSDE budget also funds the Aid to Non-Public Schools Textbook and Technology Program, which provides eligible nonpublic schools with textbook and computer supplies, and the Broadening Options and Opportunities for Students Today (BOOST) Program, which provides scholarships for students from low-income families to attend nonpublic schools. A brief description of each program funded through the Funding for Educational Organizations budget is provided in **Appendix 1**.

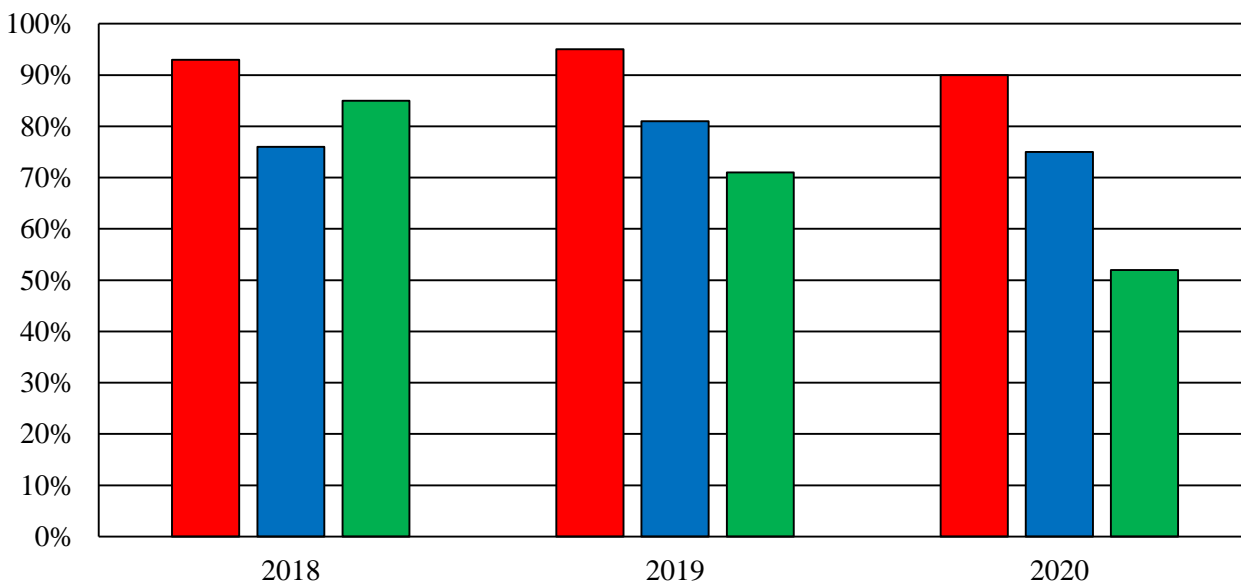
Performance Analysis: Managing for Results

1. Maryland School for the Blind

One of MSB’s performance goals is that the students will acquire academic and independent living skills. This measure includes goals for the percentage of nonreaders and prereaders who achieved their Individualized Education Program (IEP) communication or literacy objectives; the percentage of readers who increased their fluency rate; and the percentage of students who achieved progress in demonstrating skills in the home, school, or community. These Managing for Results data are for the 2019-2020 school year, which encompasses fiscal 2020 but was cut short by closure of MSB due to the COVID-19 pandemic.

From fiscal 2019 to 2020, nonreaders and prereaders who achieved IEP objectives decreased from 95% to 90%; readers who increased their fluency rate decreased from 81% to 75%; and students who achieved progress in demonstrating skills in the home, school, or community decreased from 71% to 52%. In addition to challenges related to school closure, MSB reports that the reason for the continued decline is that this measure encompasses the increase in MSB’s residential students with complex challenges, which account for the lower percentage of students progressing on these measures. **Exhibit 1** displays these academic and independent living skills measures for fiscal 2018 through 2020.

Exhibit 1
Maryland School for the Blind
Academic and Independent Living Skills Measures
Fiscal 2018-2020



- Nonreaders and Prereaders Who Achieved IEP Communication and/or Literacy Objectives
- Readers Who Increased Fluency Rate
- Students Who Achieved Progress in Demonstrated Skills in the Home, School, and/or Community

IEP: Individual Educational Plan

Source: Maryland State Department of Education

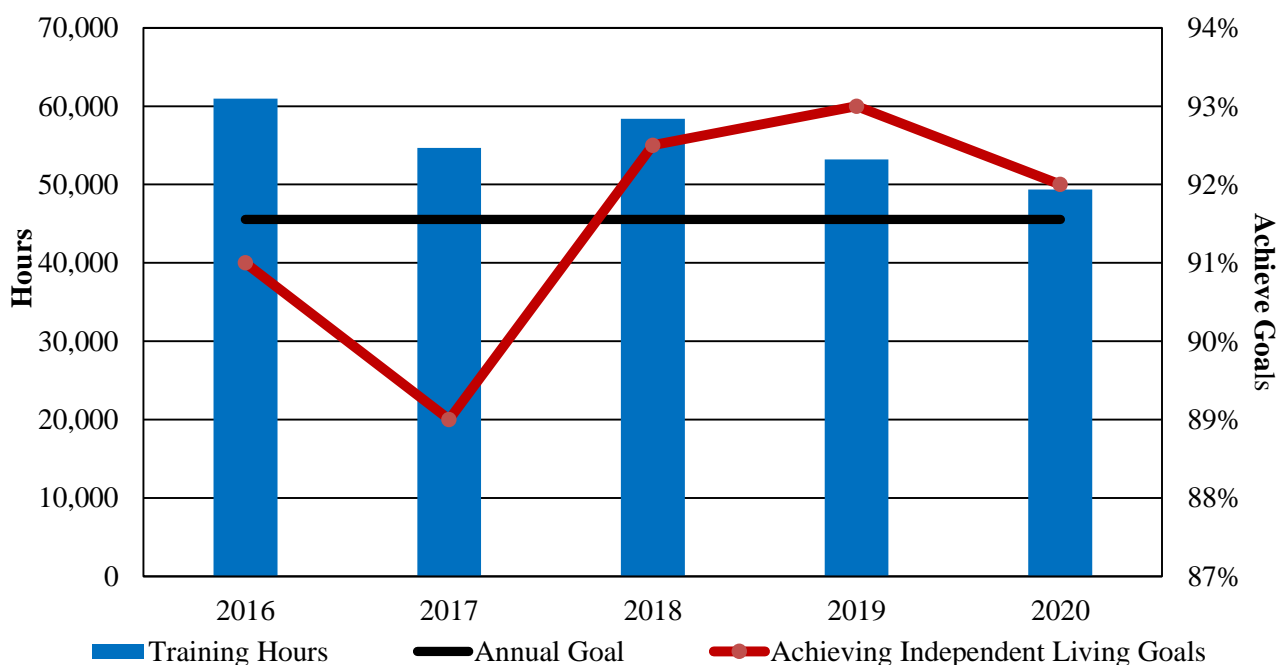
2. Blind Industries and Services of Maryland

One of BISM’s performance goals is to assist citizens who are blind or have low vision to gain the skills and confidence that they need to live independently. One of the objectives within this goal is for BISM to deliver at least 45,450 hours of annual training on these skills, which include braille instruction, computer skills, cane training, career exploration, physical fitness, and other necessary life skills. This measure also includes the percentage of participants who achieve independent living goals each year and customer satisfaction ratings.

Since fiscal 2016, BISM has met or exceeded their annual goal for training hours. In fiscal 2020, BISM conducted 49,375 hours of training, which exceeds their annual goal by 3,835 hours, or 7.8%. Service interruptions from COVID-19 contributed to the slight decline from the 53,000 annual training hours achieved in fiscal 2019. Despite this decline, average training hours on this measure since 2016 are approximately 55,000, which consistently exceeds the goal for this measure.

On the measure of achievement of independent living goals, 92% of BISM participants were successful in fiscal 2020, which is again slightly decreased from the 96% achieved in fiscal 2019. However, fiscal 2019 had the highest percentage for this measure since 2012. **Exhibit 2** shows BISM’s achievement of independent living goals and training hours for fiscal 2016 through 2020.

Exhibit 2
Blind Industries of Maryland
Achievement of Independent Living Goals and Training Hours
Fiscal 2016-2020



Source: Maryland State Department of Education

The Department of Legislative Services (DLS) recommends that due to BISM’s consistent, annual success on this measure, MSDE and BISM may want to consider increasing the annual training goal hours starting in fiscal 2022.

Fiscal 2020

In fiscal 2020, the Aid to Non-Public Schools Program received \$6.0 million in special funds from the Cigarette Restitution Fund (CRF). In MSDE’s fiscal 2020 closeout statement for this program, issued in October 2020, the agency reported that, due to COVID-19-related school closures, grant recipients did not expend all appropriated funds before the end of fiscal 2020. Due to this delay, MSDE encumbered \$478,000 for these grantees. For fiscal 2020, expenditures for this program including encumbrances total \$5.7 million, and unspent program funds retained for program expenditures in fiscal 2021 total approximately \$300,000. **DLS recommends to the budget committees that MSDE comment on why the program had unspent funds at the close of fiscal 2020.**

Fiscal 2021

Cost Containment

As part of the \$413 million in reductions enacted by the Board of Public Works (BPW) in July 2020 due to the COVID-19 pandemic, the budget for Other Institutions received a 10% across-the-board cut, which reduced the total budget for this program from \$6.3 million to \$5.5 million in fiscal 2021. No other programs in this budget received a general fund reduction as part of the BPW actions in fiscal 2021. These changes are discussed later in this analysis.

MSB Receives Federal Aid for COVID-19 Expenses

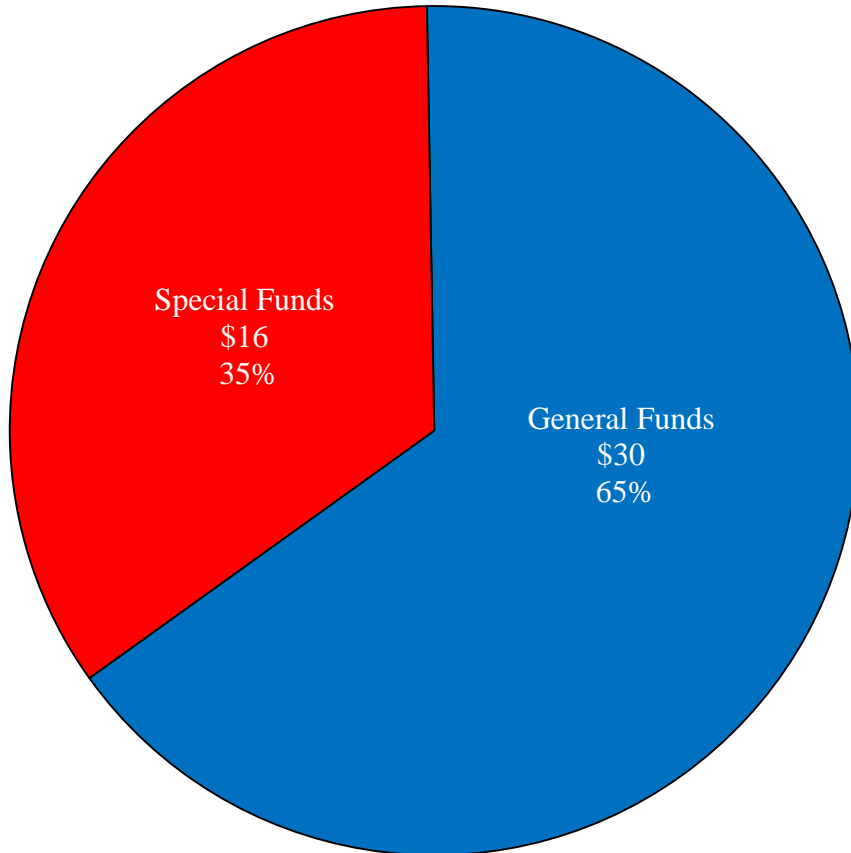
In order to help states combat COVID-19, U.S. Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020. The CARES Act allocated \$330 billion in stimulus funds to states and local governments for newly authorized programs and supplemental funding and reimbursement for certain emergency management and health care expenses. The CARES Act divides these funds into multiple sources, three of which applied to K-12 education in Maryland: the Elementary and Secondary School Emergency Relief (ESSER) Fund; the Coronavirus Relief Fund; and the Governor’s Emergency Education Relief (GEER) Fund. These three sources were subsequently divided by the State and MSDE into multiple, separate grants totaling \$453.5 million. A portion of these funds passed to MSB through MSDE’s Aid to Education budget. More detail on CARES fund distribution can be found in the MSDE Headquarters (R00A01) and Aid to Education (R00A02) budget analyses.

For COVID-19-related expenses, MSB was allocated a total of \$799,922 in federal and local funds. In fiscal 2020, MSB was allocated \$200,000 in reopening funds through ESSER I. In fiscal 2021, MSB was allocated \$227,568 in GEER I funds, as well as \$253,354 in GEER II funds, through the Supplemental Budget, for a total of \$680,922 in federal funds allocated in fiscal 2021. MSB also received \$119,000 in funds from local counties to cover expenses for personal protective equipment and other COVID-19-related expenses. MSB COVID-19 relief funding and expenditures are also discussed later in this analysis.

Fiscal 2022 Overview of Agency Spending

The fiscal 2022 allowance for Funding for Educational Organizations is approximately \$46.3 million. The general fund allocation is \$30.3 million, or 65%, of this budget, and the special fund allocation is \$16.0 million, or 35% of this budget. **Exhibit 3** shows the overview of agency spending for the fiscal 2022 allowance.

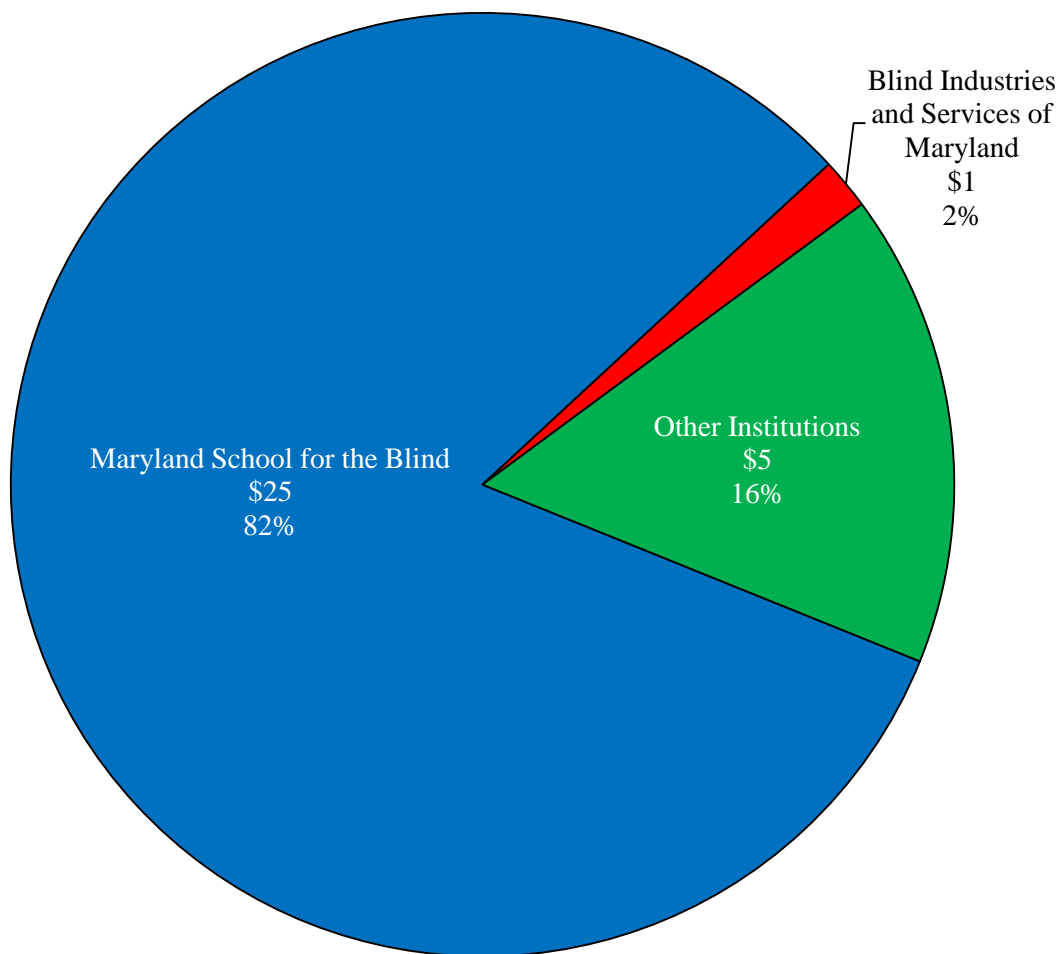
Exhibit 3
Overview of Agency Spending
Fiscal 2022 Allowance
(\$ in Millions)



Source: Governor’s Fiscal 2022 Budget Books

In fiscal 2022, of the \$30.3 million general fund allocation, \$24.8 million, or 82%, is allocated to MSB; \$4.9 million, or 16%, is allocated to Other Institutions; and \$531,000, or 2%, is allocated to BISM. **Exhibit 4** shows the fiscal 2022 general fund allowance for these programs.

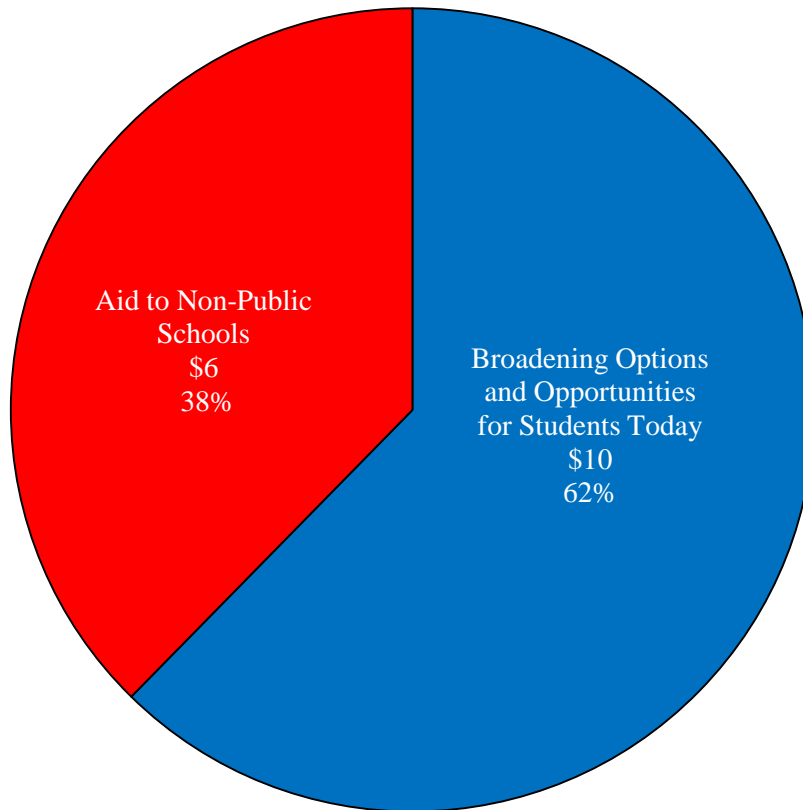
Exhibit 4
General Fund Allowance
Fiscal 2022
(\$ in Millions)



Source: Governor’s Fiscal 2022 Budget Books

In fiscal 2022, the Aid to Non-Public Schools Program and BOOST receive a total of \$16.0 million in special funds from the CRF. Of this amount, \$10.0 million, or 62%, is allocated to BOOST, and \$6.0 million, or 38%, is allocated to the Aid to Non-Public Schools Program. **Exhibit 5** shows the fiscal 2022 special fund allowance for these programs.

Exhibit 5
Special Fund Allowance
Fiscal 2022
(\$ in Millions)



Source: Governor’s Fiscal 2022 Budget Books

Proposed Budget Change

Overall, the fiscal 2022 allowance increases by \$2.1 million, or 4.7%, compared to the fiscal 2021 working appropriation. The general fund decrease of \$546,000, or 1.8%, reflects a 10% reduction to grants provided to educational institutions through the Other Institutions budget. The increase of \$2.6 million in special funds, or 19.6%, provides \$10.0 million for the BOOST program. **Exhibit 6** shows these proposed budget changes. Funding for MSB, BISM, and the Aid to Non-Public Schools Program remains level funded in this budget.

Exhibit 6
Proposed Budget
MSDE – Funding for Educational Organizations
(\$ in Thousands)

How Much It Grows:	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Fund</u>	<u>Total</u>
Fiscal 2020 Actual	\$30,755	\$12,306	\$43,061
Fiscal 2021 Working Appropriation	30,826	13,411	44,237
Fiscal 2022 Allowance	<u>30,280</u>	<u>16,040</u>	<u>46,320</u>
Fiscal 2021-2022 Amount Change	-\$546	\$2,629	\$2,083
Fiscal 2021-2022 Percent Change	-1.8%	19.6%	4.7%
 Where It Goes:			<u>Changes</u>
Broadening Options and Opportunities for Students Today.....			\$2,629
Other Institutions.....			-546
Total			\$2,083

MSDE: Maryland State Department of Education

Note: Fiscal 2021 includes deficiency appropriations, planned reversions, and general salary increases. Fiscal 2022 includes contingent reductions, annual salary review adjustments, and annualization of general salary increases.

Other Institutions

To determine the budget for Other Institutions, MSDE and the Maryland State Board of Education select applicants from the State Aided Institutions (SAI) grant program, which provides State funds to nonprofit organizations that offer educational programming to Maryland students. This list is then forwarded to the Governor for consideration, who determines which SAI will receive grants. The same 58 institutions that received an allocation in fiscal 2021 also receive an allocation in fiscal 2022.

As mentioned previously, fiscal 2021 cost containment actions included a 10% cut to SAI grants. The additional 10% reduction in the fiscal 2022 budget brings funding for the program down to \$4.9 million. **Exhibit 7** shows the fiscal 2021 appropriation after the BPW reduction compared to the fiscal 2022 allowance.

**Exhibit 7
Other Institutions Funding
Fiscal 2021-2022**

<u>Institution</u>	<u>2021</u>	<u>2022</u>	<u>Difference</u>
Accokeek Foundation	\$18,880	\$16,992	-\$1,888
Adventure Theater	18,000	16,200	-1,800
Alice Ferguson Foundation	74,935	67,441	-7,494
Alliance of Southern P.G. Communities, Inc.	29,974	26,977	-2,997
American Visionary Art Museum	18,000	16,200	-1,800
Annapolis Maritime Museum	36,033	32,430	-3,603
Audubon Naturalist Society	18,000	16,200	-1,800
Baltimore Center Stage	18,000	16,200	-1,800
Baltimore Museum of Art	18,000	16,200	-1,800
Baltimore Museum of Industry	75,724	68,152	-7,572
Baltimore Symphony Orchestra	59,948	53,953	-5,995
B&O Railroad Museum	56,794	51,115	-5,679
Best Buddies International of Maryland	149,870	134,883	-14,987
Calvert Marine Museum	47,201	42,481	-4,720
Chesapeake Bay Environmental Center	18,000	16,200	-1,800
Chesapeake Bay Maritime Museum	18,931	17,038	-1,893
Chesapeake Shakespeare Company	18,000	16,200	-1,800
Citizenship Law-Related Education	27,607	24,847	-2,760
CollegeBound Foundation	33,919	30,527	-3,392
The Dyslexia Tutoring Program, Inc.	33,919	30,527	-3,392
Echo Hill Outdoor School	50,483	45,435	-5,048
Everyman Theater	47,201	42,481	-4,720
Fire Museum of Maryland	18,000	16,200	-1,800
Greater Baltimore Urban League	18,000	16,200	-1,800
Historic London Town and Gardens	18,000	16,200	-1,800
Imagination Stage	224,806	202,325	-22,481
Irvine Nature Center	18,000	16,200	-1,800
Jewish Museum of Maryland	18,000	16,200	-1,800
Junior Achievement of Central Maryland	37,861	34,075	-3,786
KID Museum	18,000	16,200	-1,800
Learning Undefeated	23,601	21,241	-2,360
Living Classrooms Inc.	287,122	258,409	-28,713
Maryland Academy of Sciences	824,292	741,863	-82,429

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<u>Institution</u>	<u>2021</u>	<u>2022</u>	<u>Difference</u>
Maryland Historical Society	112,797	101,516	-11,281
Maryland Humanities Council	39,439	35,495	-3,944
Maryland Leadership	41,017	36,915	-4,102
Maryland Zoo in Baltimore	766,711	690,039	-76,672
Math, Engineering and Science Achievement of Maryland	71,779	64,601	-7,178
National Aquarium in Baltimore	448,036	403,232	-44,804
National Great Blacks in Wax Museum	37,861	34,075	-3,786
Northbay	450,000	405,000	-45,000
Olney Theatre	131,729	118,556	-13,173
Outward Bound – Baltimore School	119,897	107,908	-11,989
Port Discovery	104,909	94,418	-10,491
Reginald F. Lewis Museum	18,000	16,200	-1,800
Round House Theater	23,601	21,241	-2,360
Salisbury Zoological Park	18,000	16,200	-1,800
Sotterley Foundation	18,000	16,200	-1,800
South Baltimore Learning Center	37,861	34,075	-3,786
State Mentoring Resource Center	71,779	64,601	-7,178
Sultana Projects	18,931	17,038	-1,893
SuperKids Camp	369,156	332,239	-36,917
Village Learning Place	41,017	36,915	-4,102
Walters Art Museum	18,000	16,200	-1,800
Ward Museum	31,552	28,398	-3,154
Young Audiences of Maryland	80,242	72,218	-8,024
Total	\$5,463,415	\$4,917,072	-\$546,343

Note: Numbers may not sum due to rounding.

Source: Governor’s Fiscal 2022 Budget Books

Maryland School for the Blind

Enrollment

An enrollment formula in Section 8-313 of the Education Article determines MSB’s annual enrollment count, which includes a four-year average to soften increases and decreases. Early intervention and outreach students are counted at 50%, and school-age students are counted at 100%. For the school year 2019-2020, MSB’s total enrollment was 409, including 219 school-age youth, 34 early intervention students, and 156 outreach students. The enrollment count in the 2020-2021 school year is impacted by the closure of the school due to COVID-19, and therefore MSB’s formula funding

for fiscal 2022 is based on the enrollment count for the 2019-2020 school year of 409 students. **Exhibit 8** shows MSB’s enrollment counts from fiscal 2017 through 2021.

Exhibit 8
Maryland School for the Blind Enrollment
Fiscal 2017-2021

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
School Year	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Early Intervention Students	36	30	34	38	34
Outreach Students	172	202	173	139	156
School-age Students	191	194	210	222	219
Total Students	399	426	417	399	409

Source: Department of Budget and Management

MSB Funding and Expenditures

MSB receives an annual, per pupil State appropriation based on enrollment. This formula is the same as the State Share of the Foundation formula, per Section 5-202 of the Education Article. In addition to its State appropriation, MSB also has additional sources of State revenue, as well as federal, local, and private sources of revenue. State revenue sources include an enhanced services grant, which is supplemental funding for blind students with additional disabilities who are at risk for out-of-state placement, as well as grants for a statewide vision consultant and funds for the Maryland Information Resource Center. Local revenue sources include tuition, extended school year, and direct orientation and mobility payments from LSS determined by a formula based on property wealth in each jurisdiction. Revenues also include federal grants and private donations.

In the past five years, funding from State and local revenue has accounted for approximately 93% of MSB’s revenues. In fiscal 2021, State and local revenue account for 93% of MSB’s revenue, which is in keeping with this trend; total revenues are \$35.8 million, with State and local revenue sources accounting for \$33.4 million of this amount. This amount includes projected reimbursable funds for COVID-19 related expenses from federal and local sources. Expenses total \$40.9 million, which is \$5.1 million less than MSB’s anticipated revenues in fiscal 2021 and a difference of 14.29% as a percentage of total revenue. Even though MSB’s fiscal 2020 budget does have revenues exceeding expenditures by approximately \$3.1 million due to cost-cutting measures and an increase in private gifts over fiscal 2019, this trend does not continue into fiscal 2021. **Exhibit 9** shows MSB’s revenues and expenditures for fiscal 2017 through 2021.

Exhibit 9
Maryland School for the Blind
Revenues and Expenditures
Fiscal 2017-2021
(\$ in Thousands)

	<u>Source</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues						
State Appropriation	State	\$22,525	\$23,018	\$23,347	\$23,948	\$24,831
Enhanced Services	State	4,205	4,636	5,237	5,584	5,400
Sponsored Projects	Federal, State	1,068	1,170	1,091	1,183	1,075
Tuition	Local	1,056	1,285	1,587	1,843	1,743
Extended School Year	Local	520	533	636	745	450
Direct Orientation and Mobility	Local	562	679	1,163	981	800
Private Gifts	Private	1,006	1,105	893	989	800
Other		207	211	219	144	170
Total Revenues		\$31,149	\$32,638	\$34,173	\$35,417	\$35,269
Total State and Local Revenue Sources (Approximate)		\$28,868	\$30,152	\$31,970	\$33,101	\$33,224
Percentage of State and Local Revenue Sources (Approximate)		93%	92%	94%	93%	94%
Expenses		\$34,001	\$33,042	\$33,904	\$32,328	\$40,876
Revenue Less Expenses		-2,852	-404	269	3,089	-5,607
Revenue Less Expenses as a % of Total Revenue		9.16%	1.24%	0.79%	8.72%	15.90%

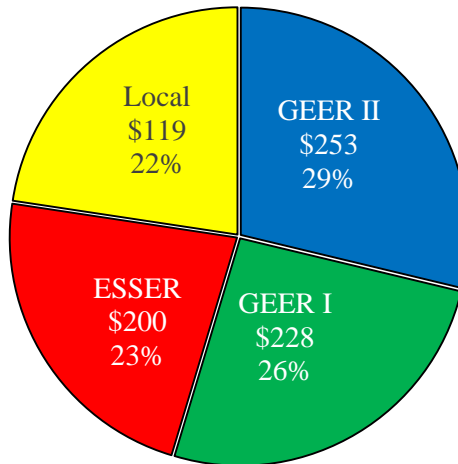
Source: Maryland School for the Blind; Department of Legislative Services

MSB Funding for COVID-19 Expenses

Due to the COVID-19 pandemic, MSB closed in March 2020 for all students but continued to offer instruction virtually. In June 2020, the school reopened to serve students with individual appointments either in their home, community settings, or in limited campus access. In October 2020, MSB opened preschool through third grade but closed once again in December due to climbing COVID-19 positivity rates. At this time, preschool students have returned, and the school is hoping to reopen in full by March 2021.

In addition to the previously discussed \$680,922 in federal pandemic aid that MSB has received in fiscal 2021, the school also expects to receive the remaining \$130,000 of the \$200,000 ESSER allocation for school reopening and \$253,354 from the second round of GEER II funding (provided in the Supplemental Budget), which is part of the disbursement of the Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Act of 2021. **Exhibit 10** displays funds made available to MSB for COVID-19 relief in fiscal 2021 and 2022. MSB reports that the school has spent approximately \$1.1 million on COVID-19-related expenses, and anticipates spending an additional \$250,000 in fiscal 2022.

Exhibit 10
Maryland School for the Blind
COVID-19-related Available Funds
Fiscal 2021-2022
(\$ in Thousands)



ESSER: Elementary and Secondary School Emergency Relief
GEER: Governor’s Emergency Education Relief

Source: Maryland School for the Blind; Department of Legislative Services

Issues

1. MSB Report Highlights Ongoing Sustainability Challenges

In 2019, MSB conducted a self-study on how the school might begin to overcome persistent budget challenges. In 2020, the budget committees asked MSB to continue this work and provide additional information including financial projections through fiscal 2023, as well as analyze MSB’s formula funding.

This second study revealed that the primary challenge to MSB’s increasing expenditures is rising personnel costs. In the past three years, MSB has seen a steady increase in costs associated with salaries, wages, and benefits, which account for approximately 70% of total spending. MSB has a projected increase in personnel costs from fiscal 2021 and 2022 of approximately \$8.2 million, or 30%, and growth of \$11.4 million, or 48%, when compared with fiscal 2020 actual spending. These increases are related to cost-of-living adjustments and rising costs to provide living wages and commensurate benefits. In 2018, MSB’s was informed that their employee pension plan would increase from \$500,000 per year to \$3 million in 2021 due to mortality projections and other actuarial assumptions, which is reflected in the increase to approximately \$3.0 million in fiscal 2021 and 2022. **Exhibit 11** shows MSB’s expenses by spending category in fiscal 2020 through 2022.

Exhibit 11
Maryland School for the Blind
Spending by Category
Fiscal 2020-2022
(\$ in Thousands)

<u>Expenses</u>	<u>Actual 2020</u>	<u>Working 2021</u>	<u>Projected 2022</u>	<u>Change 2021-2022</u>	<u>% Change 2021-2022</u>
Salaries, Wages, and Benefits	\$24,718	\$27,214	\$35,396	\$8,182	30%
Employee Pensions	3,000	3,279	3,000	-279	-9%
Fixed Charges	709	659	704	-2	0%
Contractual Services	1,701	1,780	1,820	40	2%
Supplies and Materials	998	1,342	1,372	30	2%
Transportation Costs	927	1,144	1,170	26	2%
Other Expenses	104	173	477	304	176%
Total	\$32,583	\$40,338	\$48,639	\$8,301	21%
Increase in Personnel Costs from Fiscal 2020 through 2022				\$11,447	48%

Note: Expenses do not include anticipated cash outlay towards depreciation and maintenance costs.

Source: Maryland School for the Blind; Department of Legislative Services

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The report also compared differences between funding formulas for MSB and Maryland School for the Deaf (MSD), which is a public school operating with residential and day students. Identified differences include:

- 44% of MSB students versus 16% of MSD students are in residence, which is more expensive than day school operations;
- 96% of MSB students versus 10% of MSD students have multiple disabilities, which is more intensive and costly;
- MSB receives approximately 12% less in formula funding per student per year than MSD. MSB receives \$58,000 per student per year; MSD receives approximately \$66,000 per student per year, a difference of \$8,000 per student per year; and
- MSD’s statutory requirements in Section 8–3A–10 of the Education Article require regular review and adjustment of employee compensation. This process includes:
 - faculty and staff input into the compensation setting process;
 - salary adjustments that take into account comparable rates of pay for educational professionals in neighboring counties;
 - salary increases to maintain competitiveness in the job market;
 - review of salary adjustments in the annual budget; and
 - evaluation of personnel salary schedules every three years.

The report also noted that MSB’s cost per student is projected to increase from \$161,000 in fiscal 2019 to \$253,000 in fiscal 2023, which is an increase of 57%, or \$92,000, per student. This anticipated increase is due to MSB students having multiple disabilities that require enhanced services, such as specialized equipment, devices, or individualized staffing based on the student’s particular needs. For these reasons, MSB suggests that their formula be adjusted to more closely align with MSD’s statutory requirements and funding. For more details, please consult MSB’s 2020 *Joint Chairman’s Report* (JCR) response.

2. BOOST Program

Since fiscal 2017, BOOST has provided scholarships to nonpublic, K-12 students who are eligible for the federal free or reduced-price lunch program. This program is funded with special funds from the CRF and must be renewed every year in the budget bill. MSDE administers BOOST with the assistance of the BOOST Advisory Board, which is responsible for the annual selection of BOOST scholarship recipients. Fiscal 2022 is the sixth year of the BOOST program.

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The fiscal 2021 Budget Bill details the criteria for nonpublic schools that have students who are eligible for a BOOST scholarship and would like to participate in the BOOST program. These criteria include:

- participated in the Aid to Non-Public Schools Program in the prior school year;
- provide more grades than only prekindergarten and kindergarten;
- administer standardized tests approved by the National Blue Ribbon program in English, math, and science at specified grade levels; and
- comply with Title VI of the Civil Rights Act of 1964 as amended; Title 20, Subtitle 6 of the State Government Article (related to employment nondiscrimination); and not discriminate in student admissions, retention, or expulsion based on race, color, national origin, sexual orientation, or gender identity or expression.

For a student to receive a BOOST scholarship, they must attend an eligible school. Once MSDE receives BOOST applications, eligible students are ranked by family income, which is expressed as a percentage of the most recent federal poverty levels. MSDE submits this list to the BOOST Advisory Board, which is responsible for the review and certification of the ranked list of applicants, determines the scholarship award amounts, and makes final scholarship decisions. The amount of the scholarship award may not exceed the lesser of the statewide average per pupil expenditure by local education agencies or the tuition of the nonpublic school. If a nonpublic school does not comply with these requirements, it must forfeit all scholarship funds received under the BOOST Program and may not charge the student tuition and fees instead.

Standardized Assessment Requirements Waived Due to COVID-19 School Closures

The fiscal 2021 Budget Bill required schools and students that participate in the BOOST program to administer standardized tests approved by the National Blue Ribbon program. However, due to the COVID-19 pandemic, public and nonpublic schools in Maryland closed in mid-March. As a result, many nonpublic schools did not offer standardized tests in spring 2020, and test results for BOOST students are not available. Additionally, the State Attorney General’s Office, DLS, and MSDE agree that even though administration of standardized tests is a requirement for schools to participate in the BOOST program, BOOST schools that did not administer these assessments in spring 2020 would remain eligible for the BOOST program for the 2020-2021 school year.

BOOST Appropriations and Fund Balances

The fiscal 2021 appropriation for BOOST was approximately \$7.4 million. The program also retained an additional \$348,000 in funds from fiscal 2020, for a total of \$7.7 million available for 2020-2021 school year awards. The BOOST advisory board offered approximately \$8.4 million in awards, of which \$1.3 million (15%) were declined. This included \$475,000 of renewal awards (6%) and \$789,000 in new awards (9%). A total of \$622,961 is remaining for fiscal 2022 awards. **Exhibit 12** displays the BOOST awards and current fund balance for fiscal 2021.

Exhibit 12 BOOST Current Appropriation and Fund Balance Fiscal 2021

	<u>Fund Balance</u>
Fiscal 2021 Working Appropriation	\$7,370,817
Fiscal 2020 Balance Remaining	348,295
Total Funds Available For Awards in the 2020-2021 School Year	\$7,719,112
Total Awards Offered and Accepted, Including Award Adjustments	\$8,360,000
Declined Renewal Awards	-474,927
Declined New Awards	-788,922
Total Awards Offered and Accepted as of December 2020	\$7,096,151
Remaining Balance	\$622,961

Source: Maryland State Department of Education; Department of Legislative Services

In the past three fiscal years, the Governor’s allowance for the BOOST program has been \$10 million. The legislature has opted to align the budget with actual expenditures for the program plus unspent funds remaining after awards are distributed. **Exhibit 13** displays the three-year allocations and fund balances for fiscal 2019 to 2021. Over these three years, the average amount of awards distributed totaled approximately \$7.0 million, with an average balance remaining of \$694,000.

Exhibit 13
BOOST Three-year Appropriations and Fund Balances
Fiscal 2019-2021

	<u>2019</u>	<u>2020</u>	<u>2021</u>
Annual Appropriation	\$7,000,000	\$6,586,000	\$7,370,817
Balance Remaining for Next Fiscal Year	442,052	1,112,052	348,295
Total Available for Current Year Awards	\$7,442,052	\$7,698,052	\$7,719,112
Total Awards Accepted	\$6,330,000	\$7,550,044	\$7,096,151
Balance Remaining	\$1,112,052	\$348,295	\$622,961
Three-year Average Amount of Awards Accepted	\$6,992,065		
Three-Year Average Balance Remaining	\$694,436		

Source: Maryland State Department of Education; Department of Legislative Services

Data on 2020-2021 BOOST Students

The fiscal 2021 Budget Bill required MSDE to submit a report to the budget committees with additional data on BOOST students and schools. This information included (1) the number of BOOST students by school name, county, grade level, and type of school previously attended; (2) financial aid and type; (3) race; (4) designation as special education or English language learner; (5) average household income of BOOST students; (6) status of student prior to BOOST acceptance as attending either a public or nonpublic school; (7) data on certified and noncertified teachers; (8) students who declined BOOST scholarships; and (9) expelled or withdrawn students that received BOOST scholarships. A snapshot of these data for the 2020-2021 school year are:

- 55.1 % of BOOST recipients are non-White;
- 54% of teachers are certified in their subject area;
- 945 students are designated as English language learners; and
- 370 students are designated as special education.

BOOST Student Awards

The fiscal 2021 Budget Bill required the BOOST Advisory Board to give priority to renewal students, students who previously attended public schools, and students who qualify for free meals versus reduced-price meals. Students with the lowest incomes have priority for awards, and \$700,000 in additional awards was designated for special education students. In addition, the BOOST Board could distribute up to \$1,000 in an additional award to high school students.

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For fiscal 2021, scholarship awards to BOOST students total approximately \$8.4 million (including approximately \$1.3 million in declined awards). Of this amount, \$3.4 million was awarded to 835 students who qualified for free meals and attended public school; \$1.4 million was awarded to 405 students who qualified for reduced-price meals and attended public school; \$1.7 million was awarded to 1,228 students who qualified for free meals and attended private school; and \$412,000 was awarded to 412 students who qualified for reduced-price meals and attended private school. A total of 695 high school students were awarded \$695,000 in additional awards, and 165 special education students were awarded \$482,800, despite budget language added by the legislature specifying \$700,000 be awarded for that purpose. **Exhibit 14** displays these awards by category of student.

Exhibit 14
Broadening Options and Opportunities for Students Today
Total Student Awards Offered
Fiscal 2021

<u>BOOST Scholarships Awarded</u>	<u>Students</u>	<u>Average Income of Recipients</u>	<u>Maximum Scholarship Amount</u>	<u>Total Value of Awards</u>
Qualified for Free Meals, Attended Public School	835	\$20,691	\$4,400	\$3,674,000
Qualified for Reduced Meals, Attended Public School	405	56,789	3,400	1,377,000
Qualified for Free Meals, Attended Private School	1,228	29,090	1,400	1,719,200
Qualified for Reduced Meals, Attended Private School	412	64,827	1,000	412,000
<i>Subtotal – Base Awards</i>	<i>2,880</i>	<i>\$42,849</i>		<i>\$7,182,200</i>
Adjusted Award – Special Education	165		\$4,400	482,800
Adjusted Award – High School	695		\$1,000	695,000
<i>Subtotal – Adjustments</i>	<i>860</i>			<i>\$1,177,800</i>
Total Amount Awarded (Including Declined Awards)				\$8,360,000

Source: Maryland State Department of Education; Department of Legislative Services

Additional information on the BOOST program can be found in MSDE’s 2020 JCR report response.

DLS recommends that the BOOST Advisory Board and MSDE explain why special education awards totaled \$482,800 instead of the \$700,000 allocated for these awards in fiscal 2021. DLS also recommends reducing BOOST funding in line with the fiscal 2021 level (plus the remaining balance).

3. Nonpublic Schools and MSB Receive Funds in GEER II

In January 2021, the Governor announced \$35.8 million for Maryland nonpublic schools as part of the CRRSA Act. This act provides \$2.75 billion in national assistance for the Emergency Assistance for Non-Public Schools Program, which is offered as part of the second round of funding through the GEER II Fund. From discretionary GEER II funds, the Governor allocated \$253,354 to MSB in fiscal 2021 through a supplemental budget. The school expects to apply the funds to its fiscal 2022 budget. Additional information on CRRSA and GEER II can be found in the MSDE Headquarters (R00A01) and Aid to Education operating budget analyses (R00A02).

DLS recommends to the budget committees that MSDE report on the distribution of the nonpublic schools GEER II grant. This report should include eligible nonpublic schools that applied and were selected for this grant program, amount distributed to each nonpublic school, intended grant expenses, and any remaining funds.

Operating Budget Recommended Actions

1. Amend the following language:

, provided that this appropriation shall be for the purchase of textbooks or computer hardware and software and other electronically delivered learning materials ~~as permitted under Title III, Section 241(b)(4), (6), and (7), of the No Child Left Behind Act~~ for loan to students in eligible nonpublic schools with a maximum distribution of \$65 per eligible nonpublic school student for participating schools, except that at schools where at least 20% from 20% to 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$95 per student, and at schools where more than 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$155 per student.

Explanation: This action amends language modifying the distribution of funding for the Aid to Non-Public Schools Program so that schools where more than 40% of the students are eligible for the free or reduced-price lunch program receive \$155 per student. Similar language has been included in the budget since fiscal 2017. It also strikes language regarding the No Child Left Behind Act due to technical differences with the reauthorized Elementary and Secondary Education Act.

2. Amend the following language:

- (2) Not charge more tuition to a participating student than the statewide average per pupil expenditure by the local education agencies, as calculated by the department, with appropriate exceptions for special education students as determined by the department; ~~and~~

- (3) Comply with Title VI of the Civil Rights Act of 1964, as amended; and

- (4) Submit its student handbook or other written policy related to student admissions to the Maryland State Department of Education for review to ensure compliance with program eligibility requirements.

Explanation: This action requires schools that participate in the Aid to Non-Public Schools Program to submit a student handbook or policy on student admissions to the Maryland State Department of Education in order to ensure compliance with program eligibility requirements.

3. Add the following language:

Further provided that a nonpublic school participating in the Aid to Non-Public Schools Program R00A03.04 shall certify compliance with Title 20, Subtitle 6 of the State Government Article. A nonpublic school participating in the program may not discriminate in student admissions, retention, or expulsion, or otherwise discriminate against any student on the basis of race, color, national origin, sexual orientation, or gender identity or expression. Nothing

herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions, retention, or expulsion or otherwise discriminate against any student on the basis of race, color, national origin, sexual orientation, or gender identity or expression. Any school found to be in violation of the requirements to not discriminate shall be required to return to the Maryland State Department of Education all textbooks or computer hardware and software and other electronically delivered learning materials acquired through the fiscal 2022 allocation. The only other legal remedy for violation of these provisions is ineligibility for participating in the Aid to Non-Public Schools Program. Any school that is found in violation of the nondiscrimination requirements in fiscal 2021 or 2022 may not participate in the program in fiscal 2022. It is the intent of the General Assembly that a school that violates the nondiscrimination requirements is ineligible to participate in the Aid to Non-Public Schools Program, the Broadening Options and Opportunities for Students Today Program, the James E. “Ed” DeGrange Nonpublic Aging Schools Program, and the Nonpublic School Security Improvements Program in the year of the violation and the following two years.

Explanation: This action requires a nonpublic school participating in the Aid to Non-Public Schools Program to certify compliance with Title 20, Subtitle 6 of the State Government Article (Discrimination in Employment). It also specifies that a participating school may not discriminate in student admissions on the basis of race, color, national origin, sexual orientation, or gender identity or expression. Violation of these provisions means that a school will be ineligible for the program. Similar language has been included in the budget since 2017. This action also specifies that schools that violate the provisions must return all textbooks and technology received through the program to the Maryland State Department of Education. It also states that a school that violates the nondiscrimination requirements in fiscal 2021 or 2022 is not eligible to participate in the program in fiscal 2022 and states legislative intent that any school that violates the nondiscrimination requirements is ineligible to participate in any program that provides funding to nonpublic schools for a total of three years.

4. Amend the following language:

- (a) ~~participate~~ have participated in Program R00A03.04 Aid to Non-Public Schools Program for textbooks and computer hardware and software administered by MSDE; during the 2020-2021 school year;

Explanation: This language specifies that in order to participate in the Broadening Options and Opportunities for Students Today (BOOST) Program during the 2021-2022 school year, a nonpublic school must have already participated in the Aid to Non-Public Schools Program during the 2020-2021 school year. This language eliminates ambiguity for the Maryland State Department of Education, specifying that nonpublic schools are eligible for BOOST for the 2021-2022 school year by participating in the Aid to Non-Public Schools Program in the previous school year.

5. Amend the following language:

- (c) ~~administer assessments to all students in accordance with federal and State law; and~~ administer national, norm-referenced standardized assessments chosen from the list of assessments published by the U.S. Department of Education to qualify nonpublic schools for the National Blue Ribbon Schools Program. The nonpublic schools must administer the assessments to all students as follows:
 - (i) English/language arts and mathematics assessments each year for students in grades 3 through 8, and at least once for students in grades 9 through 12; and
 - (ii) a science assessment at least once for students in grades 3 through 5, at least once for students in grades 6 through 9, and at least once for students in grades 10 through 12; and
 - (d) comply with Title VI of the Civil Rights Act of 1964 as amended, Title 20, Subtitle 6 of the State Government Article, and not discriminate in student admissions, retention, or expulsion or otherwise discriminate against any student on the basis of race, color, national origin, ~~or~~ sexual orientation, or gender identity or expression. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions, retention, or expulsion or otherwise discriminate against any student based on race, color, national origin, ~~or~~ sexual orientation, or gender identity or expression. If a nonpublic school does not comply with these requirements, it shall reimburse MSDE all scholarship funds received under the BOOST Program for the 2021-2022 school year and may not charge the student tuition and fees instead. The only other legal remedy for violation of this provision is ineligibility for participating in the BOOST Program.
- (2) MSDE shall establish procedures for the application and award process for scholarships for students who are eligible for the free or reduced-price lunch program. The procedures shall include consideration for award adjustments if an eligible student becomes ineligible during the course of the school year.
 - (3) MSDE shall compile and certify a list of applicants that ranks eligible students by family income expressed as a percent of the most recent federal poverty levels.
 - (4) MSDE shall submit the ranked list of applicants to the BOOST Advisory Board.
 - (5) There is a BOOST Advisory Board that shall be appointed as follows: 2 members

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appointed by the Governor, 2 members appointed by the President of the Senate, 2 members appointed by the Speaker of the House of Delegates, and 1 member jointly appointed by the President and the Speaker to serve as the chair. A member of the BOOST Advisory Board may not be an elected official and may not have any financial interest in an eligible nonpublic school.

- (6) The BOOST Advisory Board shall review and certify the ranked list of applicants and shall determine the scholarship award amounts. The BOOST Advisory Board shall take into account the needs of students with disabilities on an Individualized Education Plan or 504 Plan when determining scholarship award amounts.
- (7) MSDE shall make scholarship awards to eligible students as determined by the BOOST Advisory Board.
- (8) ~~The~~ Unless the student has special needs due to a disability, the amount of a scholarship award may not exceed the lesser of:
 - (a) the statewide average per pupil expenditure by local education agencies, as calculated by MSDE; or
 - (b) the tuition of the nonpublic school.
- (9) In order to meet its BOOST Program reporting requirements to the budget committees, MSDE shall specify a date by which participating nonpublic schools must submit information to MSDE so that it may complete its required report. Any nonpublic schools that do not provide the necessary information by that specified date shall be ineligible to participate in the BOOST Program.
- (10) Students who received a BOOST Program scholarship award in the prior year who still meet eligibility criteria for a scholarship shall receive a scholarship renewal award. For students who are receiving a BOOST Program scholarship for the first time, priority shall be given to students who attended public schools in the prior school year.

Further provided that the BOOST Advisory Board shall make all scholarship awards no later than December 31, 2021, for the 2021-2022 school year to eligible individuals. Any unexpended funds not awarded to students for scholarships shall be encumbered at the end of fiscal 2022 and available for scholarships in the 2022-2023 school year.

Further provided that \$700,000 of this appropriation shall be used only to provide an additional award for each student with special needs that is at least equal in amount to the BOOST Program scholarship award that a student is awarded in accordance with paragraph (6) above.

Further provided that MSDE shall submit a report to the budget committees by January 15, 2022, that includes the following:

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- (1) the number of students receiving BOOST Program scholarships;
- (2) the amount of the BOOST Program scholarships received;
- (3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
- (4) the assessments being administered by nonpublic schools participating in the BOOST Program and the results of these assessments. MSDE shall report the assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy;
- (5) in the aggregate, for each BOOST Program scholarship awarded (a) the nonpublic school and grade level attended by the student; (b) the school attended in the 2020-2021 school year by the student; and (c) if the student attended the same nonpublic school in the 2020-2021 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2020-2021 school year and will receive in the 2021-2022 school year;
- (6) the average household income of students receiving BOOST Program scholarships;
- (7) the racial breakdown of students receiving BOOST Program scholarships;
- (8) the number of students designated as English language learners receiving BOOST Program scholarships;
- (9) the number of special education students receiving BOOST Program scholarships;
- (10) the county in which students receiving BOOST Program scholarships reside;
- (11) the number of students who were offered BOOST Program scholarships but declined them as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships;
- (12) the number of students who received BOOST Program scholarships for the 2020-2021 school year who are attending public school for the 2021-2022 school year as well as their reasons for returning to public schools; and
- (13) the number of students who received BOOST Program scholarships for the 2020-2021 school year who withdrew or were expelled from the nonpublic schools they were attending and the reasons for which they withdrew or were expelled; the schools they withdrew or were expelled from; and the length of time students receiving BOOST Program scholarships were enrolled at a nonpublic school before withdrawing or being expelled.

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Explanation: This language specifies priorities for BOOST scholarship awards and makes nonpublic schools that do not provide required information to MSDE by a certain date ineligible for participating in the BOOST Program. The language also provides that for the 2021-2022 school year, the BOOST Advisory Board shall make all scholarship awards no later than December 31, 2021, and any unexpended funds not awarded to students shall be encumbered for scholarships in the next year. This language also requires MSDE to report by January 15, 2022, on the distribution of the BOOST scholarships, information on the students receiving BOOST scholarships, teacher certifications for nonpublic schools participating in the BOOST Program, and assessments being administered in nonpublic schools participating in the BOOST Program, including student performance. The language also requires that MSDE report on students who choose to decline scholarships or attend public schools after participating in the BOOST Program in the past, along with their reasons for doing so, and information on students receiving scholarships for the 2020-2021 school year who withdrew or were expelled from the nonpublic schools that they were attending. Finally, the language requires that the BOOST Advisory Board shall take into account the special needs of students with disabilities as it is determining scholarship award amounts and that \$700,000 of the BOOST appropriation shall be used to provide higher awards for these students.

Information Request	Author	Due Date
BOOST program participation	MSDE	January 15, 2022

- | | <u>Amount Reduction</u> |
|--|--------------------------------|
| 6. Reduce Cigarette Restitution Funding for the Broadening Options and Opportunities for Students Today Program. | \$2,903,849 SF |
| 7. Adopt the following narrative: | |

Report on the Governor’s Emergency Education Relief II Funding for Nonpublic Schools: In January 2021, the Governor announced \$35.8 million for Maryland nonpublic schools as part of the Coronavirus Response and Relief Supplemental Appropriation Act of 2021. This act provides \$2.75 billion in national assistance for the Emergency Assistance for Non-Public Schools program, which is offered as part of the second round of funding through the Governor’s Emergency Education Relief (GEER II) Fund. The Governor also recently announced that the Maryland School for the Blind will receive \$253,354 in GEER II funding. The budget committees request that the Maryland State Department of Education (MSDE) report by July 1, 2021, on the distribution of the nonpublic schools GEER II grant. This report should include the number of eligible nonpublic schools that applied and were selected for this grant program; amount distributed to each nonpublic school; intended grant expenses; and any remaining fund balance.

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Information Request	Author	Due Date
Report on GEER II funding for nonpublic schools	MSDE	July 1, 2021
Total Special Fund Reductions		\$2,903,849

Appendix 1
Maryland State Department of Education
Funding for Educational Organizations
Program Descriptions

Maryland School for the Blind

The Maryland School for the Blind (MSB) is a nonprofit school and resource center that provides outreach, educational, and residential programs in all 24 Maryland jurisdictions for blind and visually impaired students ages birth to 21, including those with multiple disabilities. MSB currently serves 65% of the 2,000 Maryland students identified as blind or visually impaired either on its campus in Baltimore or through outreach programs and the Maryland Instructional Resource Center. MSB receives general fund allocations from the State, funding from local school systems, federal funds, and private funds through gifts and its endowment.

Blind Industries and Services of Maryland

The Blind Industries and Services of Maryland (BISM) offers two programs that assist Maryland residents with blindness and low vision to gain employment opportunities and training. The Comprehensive Orientation, Rehabilitation, and Empowerment (CORE) program serves blind or low vision adults who are employable. CORE incorporates a positive philosophy of blindness to prepare graduates for employment, continuing education, or independent living. The BISM Senior program serves Maryland residents with blindness or low vision who are 55 and over. This program incorporates Braille teaching, cane travel, computer technology, arts and crafts, and independent-living skills so that seniors can continue to be active. The State allocation for BISM is in general funds.

Other Institutions

The Other Institutions Program provides annual general fund grants to institutions that impact education statewide and merit State funds. Programs that receive grants change from year to year. In fiscal 2022, 58 programs receive \$4.9 million in grants. A list of these programs in alphabetical order follows.

- **Accokeek Foundation** in Accokeek offers educational tours that supplement social studies and environmental education.
- **Adventure Theater** in Glen Echo is a musical theatre academy for youth with an integrated, nationally renowned professional theatre company.
- **Alice Ferguson Foundation** in Accokeek is an environmental education center and working farm on the Potomac River that offers educational field trips and a summer science camp.

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- **Alliance of Southern Prince George’s Communities, Inc.** in Oxen Hill provides students with SAT preparation courses and tutoring.
- **American Visionary Art Museum** in Baltimore offers students and teachers museum tours, library visits, and online programs on self-taught artists.
- **Annapolis Maritime Museum** in Annapolis educates youth and adults about Annapolis’ maritime heritage and the ecology of the Chesapeake Bay.
- **Audubon Naturalist Society** in Chevy Chase offers a camp and daily nature programs for schools, families, and scouts.
- **Baltimore Center Stage** in Baltimore provides theater programs for youth, families, and the community, regardless of financial, racial, or orientation barriers.
- **Baltimore Museum of Art** in Baltimore provides educational programs for children and families on its well-known art collection.
- **Baltimore Museum of Industry** in Baltimore has hands-on exhibits for students in math, science, and technology as well as a training center for technology education teachers.
- **Baltimore Symphony Orchestra** in Baltimore enhances teaching of the arts through midweek concerts for students and teachers.
- **B&O Railroad Museum** in Baltimore offers programs that focus on history, social studies, and science related to railroads and railroad technology.
- **Best Buddies International (of Maryland)** pairs special and general education students in middle and high schools in order to foster inclusion and build socialization skills.
- **Calvert Marine Museum** in Solomons is dedicated to the collection, preservation, research, and interpretation of the culture and natural history of Southern Maryland.
- **Chesapeake Bay Environmental Center** in Grasonville offers educational programs focused on the environment and ecology of the Chesapeake Bay.
- **Chesapeake Bay Maritime Museum** in St. Michaels offers experiential learning programs on the Chesapeake Bay, including a field trip program for grade 3 students.
- **Chesapeake Shakespeare Company** in Baltimore allows students the opportunity to experience Shakespeare’s work through live performances and discussion.
- **Citizenship Law-Related Education Program** in Baltimore (now Maryland Youth and the Law) teaches youth to foster an appreciation of the American judicial and legal system.

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- **CollegeBound Foundation** in Baltimore provides college advisors to the Baltimore City Public high schools to encourage and assist students in their education beyond high school.
- **The Dyslexia Tutoring Program, Inc.** in Baltimore works with low-income children and adults who are dyslexic or have a language-based learning disability.
- **Echo Hill Outdoor School** in Worton offers students the opportunity to participate in experiential, environmental education classes and residential programs.
- **Everyman Theater** in Baltimore provides students with the opportunity to experience the theater through programs in improvisation, Page-to-Stage, and subsidized high school matinees.
- **Fire Museum of Maryland** in Lutherville educates students about the history, technology, and innovation of the fire service through its collection of operating apparatus and memorabilia.
- **Greater Baltimore Urban League** in Baltimore offers disadvantaged citizens equal opportunities in employment, education, health care, housing, and the civic arena.
- **Historic London Town and Gardens** in Annapolis teaches students about daily life and activities in a 1700s colonial port.
- **Imagination Stage** in Bethesda provides students with performing arts education through theater productions by professional actors and artists.
- **Irvine Nature Center** in Owings Mills offers environmental education programs, classes, and camps for children and adults.
- **Jewish Museum of Maryland** in Baltimore supports onsite and outreach programs that focus on the history, tradition, and culture of Jewish life in Maryland.
- **Junior Achievement of Central Maryland** in Owings Mills offers economic and financial literacy programs for young people to prepare them to succeed in a global economy.
- **KID Museum** in Bethesda offers hands-on learning experiences that incorporate science, technology, engineering, and mathematics (STEM); art; culture; creativity, and critical thinking.
- **Learning Undeclared** in Gaithersburg provides STEM experiences for high-needs communities through innovative and experiential K-12 education programs.
- **Living Classrooms Inc.** in Baltimore offers programs for children, youth, and adults in hands-on education, workforce development, health, wellness, and violence prevention.
- **Maryland Academy of Sciences** in Baltimore provides student visits to the Maryland Science Center, traveling science programs, and instructional materials for teachers.

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- **Maryland Historical Society** in Baltimore provides museum visits, a research center, historical investigations, and a virtual tour of Maryland history.
- **Maryland Humanities Council** supports educational experiences in the humanities so that students embrace lifelong learning, exchange ideas openly, and enrich their communities.
- **Maryland Leadership** in Annapolis offers week-long residential programs that allow middle and high school students to immerse themselves in all aspects of leadership.
- **Maryland Zoo in Baltimore** provides school visits, conservation education, classes, and summer camps for students in pre-K through 12.
- **Math, Engineering, Science Achievement of Maryland** is a precollege program that prepares students for careers in STEM.
- **National Aquarium in Baltimore** supports environmental and science education through school visits, fellowships for high school students, and a youth ocean conservation summit.
- **National Great Blacks in Wax Museum** in Baltimore provides school tours and other museum-related activities for students to learn about African American history and culture.
- **NorthBay** in North East provides an academically rigorous and engaging science curriculum that inspires middle school students to take responsibility for their surroundings and decisions.
- **Olney Theatre** in Olney offers student matinees, campus tours, and field trips to encourage and support arts education.
- **Outward Bound – Baltimore School** provides high school students with challenging educational experiences in Baltimore and on the Chesapeake Bay.
- **Port Discovery** in Baltimore provides interactive and fun educational programs for toddlers and children pre-K through grade 5.
- **Reginald F. Lewis Museum** in Baltimore provides curricula and teacher training that explores local African American heritage through themes of family, community, slavery, and art.
- **Round House Theater** in Silver Spring offers programs that encourage students to explore all aspects of theatre, such as acting, movement, design, and play creation.
- **Salisbury Zoological Park** in Salisbury offers school visits, hands-on classroom programs, and teacher training on conservation, wildlife, and native animals of the Americas and Australia.
- **Sotterley Foundation** in Hollywood provides tours, STEM programs, and a junior docent academy designed to educate students about life on a tidewater plantation.

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- **South Baltimore Learning Center** in Baltimore provides a supportive, rigorous, and transformative education for adults who are eager to learn and motivated to succeed.
- **State Mentoring Resource Center** (Y of Central Maryland) connects volunteer adult mentors with disadvantaged school children.
- **Sultana Projects** in Chestertown provides educational programs to increase student understanding of history and awareness of the natural environment of the Chesapeake Bay.
- **SuperKids Camp** in Baltimore is six-week academic enrichment program designed to help elementary school-aged students maintain their scholastic skills during the summer months.
- **Village Learning Place** is an independent, nonprofit library that offers educational programs, enrichment opportunities, and resources for Charles Village and throughout Baltimore City.
- **Walters Art Museum** in Baltimore offers first-hand experiences with art that encourage learning and creativity including school tours, family activities, Art Babies, and summer camp.
- **Ward Museum of Wildlife Art** in Salisbury provides environmental educational programs that focus on art, history, and science through tours and hands-on activities.
- **Young Audiences of Maryland** in Baltimore hosts professional artists who deliver academic lessons through the arts and create hands-on arts learning experiences for students.

Aid to Non-Public Schools

The Aid to Non-Public Schools Program provides grants that support the purchase of textbooks and technology for nonpublic schools statewide. The Governor authorizes this program annually through the budget bill and budget bill language. Special funds for this program are provided through the Cigarette Restitution Fund (CRF).

Broadening Options and Opportunities for Students Today Program

The Broadening Options and Opportunities for Students Today Program provides scholarships for students who are eligible for free and reduced-price lunch to attend nonpublic schools. The program is authorized annually through the budget bill and budget bill language. Special funds for this program are provided through the CRF.

Appendix 2
2020 Joint Chairmen’s Report Responses from Agency

The 2020 *Joint Chairmen’s Report* (JCR) requested that the Maryland State Department of Education (MSDE) prepare two reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- **Maryland School for the Blind (MSB):** This report response required MSB to review and study the sustainability structure of MSB, including the funding formula. The study concluded that rising personnel costs are the primary cause of anticipated future budget shortfalls. Further discussion of this response can be found in the Issues section of this analysis.

- **Broadening Options and Opportunities for Students Today (BOOST) Program:** This report response required MSDE to submit detailed data on applicants for the 2020-2021 school year on the BOOST Program. This data included schools and students participating in the program including special needs students, assessment results, amount and number of scholarships, student household income, and withdrawals and expulsions from the program. Further discussion of this response can be found in the Issues section of this analysis.

Appendix 3
Object/Fund Difference Report
Maryland State Department of Education – Funding for Educational Organizations

<u>Object/Fund</u>	<u>FY 20 Actual</u>	<u>FY 21 Working Appropriation</u>	<u>FY 22 Allowance</u>	<u>FY 21 - FY 22 Amount Change</u>	<u>Percent Change</u>
Objects					
12 Grants, Subsidies, and Contributions	\$ 43,061,360	\$ 44,236,682	\$ 46,319,522	\$ 2,082,840	4.7%
Total Objects	\$ 43,061,360	\$ 44,236,682	\$ 46,319,522	\$ 2,082,840	4.7%
Funds					
01 General Fund	\$ 30,755,476	\$ 30,825,865	\$ 30,279,522	-\$ 546,343	-1.8%
03 Special Fund	12,305,884	13,410,817	16,040,000	2,629,183	19.6%
Total Funds	\$ 43,061,360	\$ 44,236,682	\$ 46,319,522	\$ 2,082,840	4.7%

Note: The fiscal 2021 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2022 allowance does not include contingent reductions or cost-of-living adjustments.

**Appendix 4
Fiscal Summary
Maryland State Department of Education – Funding for Educational Organizations**

<u>Program/Unit</u>	<u>FY 20 Actual</u>	<u>FY 21 Wrk Approp</u>	<u>FY 22 Allowance</u>	<u>Change</u>	<u>FY 21 - FY 22 % Change</u>
01 Maryland School for the Blind	\$ 23,947,915	\$ 24,831,335	\$ 24,831,335	\$ 0	0%
02 Blind Industries and Services of Maryland	531,115	531,115	531,115	0	0%
03 Other Institutions	6,276,446	5,463,415	4,917,072	-546,343	-10.0%
04 Aid to Non-Public Schools	5,719,884	6,040,000	6,040,000	0	0%
05 Broadening Options and Opportunities for	6,586,000	7,370,817	10,000,000	2,629,183	35.7%
Total Expenditures	\$ 43,061,360	\$ 44,236,682	\$ 46,319,522	\$ 2,082,840	4.7%
General Fund	\$ 30,755,476	\$ 30,825,865	\$ 30,279,522	-\$ 546,343	-1.8%
Special Fund	12,305,884	13,410,817	16,040,000	2,629,183	19.6%
Total Appropriations	\$ 43,061,360	\$ 44,236,682	\$ 46,319,522	\$ 2,082,840	4.7%

Note: The fiscal 2021 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2022 allowance does not include contingent reductions or cost-of-living adjustments.