

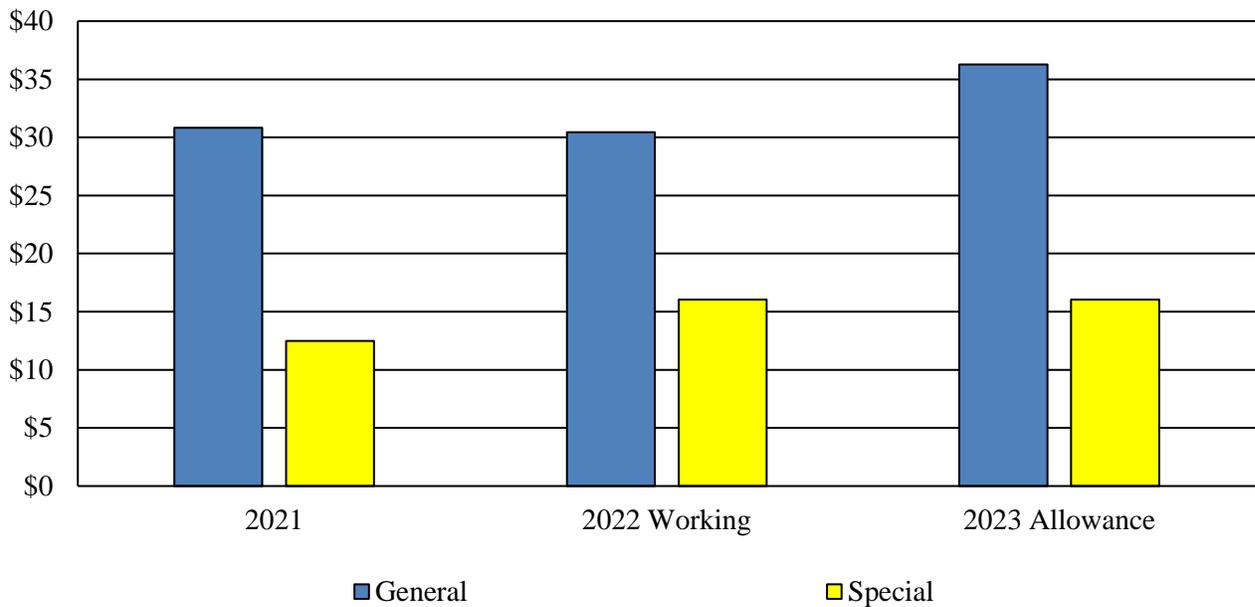
R00A03
Funding for Educational Organizations
Maryland State Department of Education

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 2023 Budget Increases \$5.8 Million, or 12.5%, to \$52.3 Million
(\$ in Millions)



- The Governor’s fiscal 2023 budget plan includes an assumed fiscal 2022 reversion of \$500,000 restricted within the nonpublic placement program general fund appropriation (R00A02.07) for the Chesapeake Bay Foundation (CBF).
- The fiscal 2023 budget as proposed has general fund increases of \$2.5 million for the Non-Public School Nursing Program; \$2.1 million for State-aided Institutions (SAI) per Chapters 399 and 400 of 2021; \$1.7 million in formula funding for MSB; and \$69,000 for BISM.

Key Observations

- ***Broadening Options and Opportunities for Students Today (BOOST) Receives \$10 Million:*** The fiscal 2023 proposed budget provides \$10.0 million for BOOST, which is the same amount as Chapter 357 of 2021 (the fiscal 2022 Operating Budget) but represents an increase over allocations prior to fiscal 2022.
- ***New Non-Public Schools Nursing Program Receives \$2.5 Million:*** The fiscal 2023 budget establishes a new program, the Non-Public Schools Nursing Program, which receives an allowance of \$2.5 million in general funds.

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 2021-2022 school year. | |
| 5. Amend language to restore the Broadening Options and Opportunities for Students Today Program administrative and reporting requirements. | |
| 6. Delete funding for the Non-Public School Nursing Program. | \$ 2,500,000 |
| 7. Adopt committee narrative for a report on the distribution of the Governor’s Emergency Education Relief funds to nonpublic schools. | |
| Total Reductions | \$ 2,500,000 |

R00A03
Funding for Educational Organizations
Maryland State Department of Education

Operating Budget Analysis

Program Description

MSDE provides funding to certain nonprofit organizations that offer educational programs. These nonprofits include MSB, 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; the BOOST Program, which provides scholarships for students from low-income families to attend nonpublic schools; and the Non-Public Schools Nursing Program, which is a new program in the fiscal 2023 proposed budget. A brief description of each program is provided in **Appendix 1**.

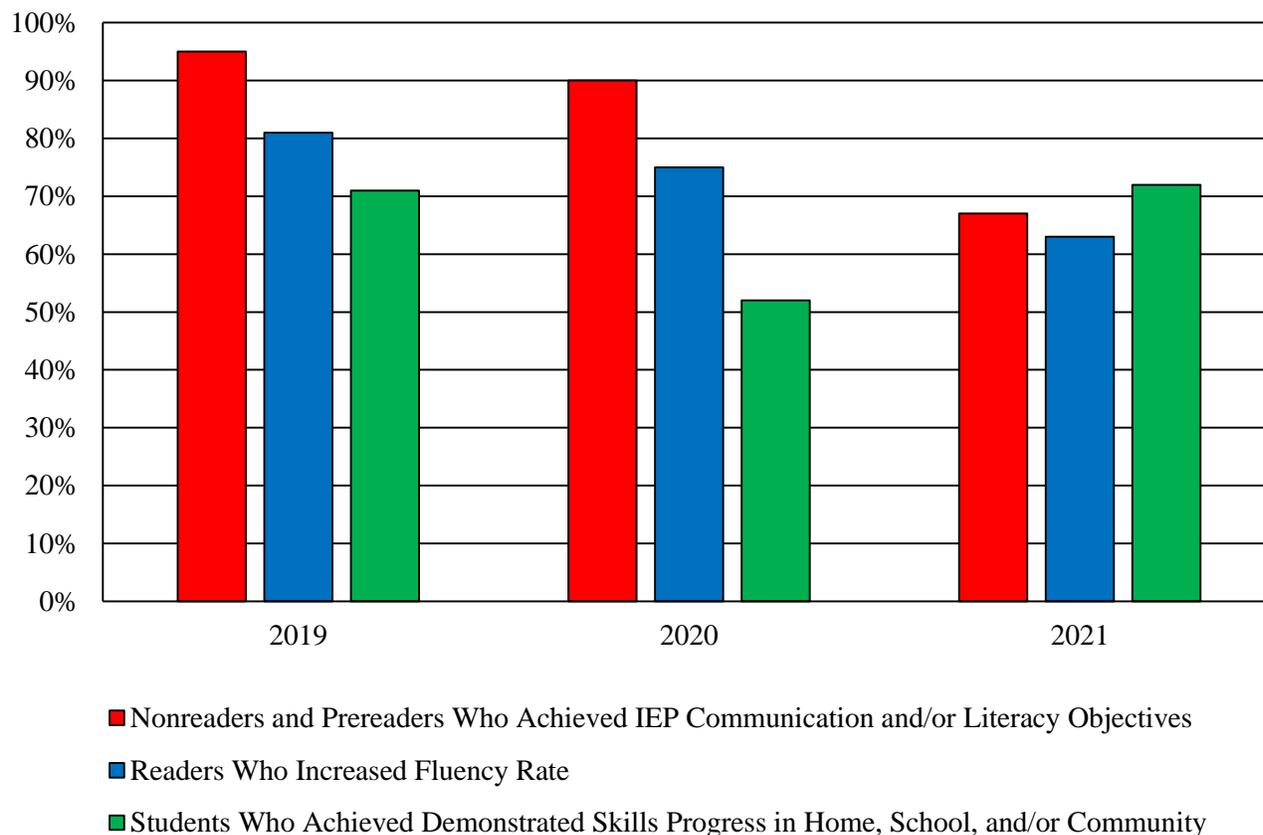
Performance Analysis: Managing for Results

1. Maryland School for the Blind

One of MSB’s Managing for Results (MFR) goals is that 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.

In calendar 2020, MSB was closed due to the COVID-19 pandemic, although instruction continued through home and remote delivery of services. The school has since reopened for both day and residential students. With school closures and other pandemic-related challenges across two school years in mind, from fiscal 2020 to 2021, nonreaders and prereaders who achieved IEP objectives decreased from 90% to 67%; readers who increased their fluency rate decreased from 75% to 63%; and students who progressed in demonstrating skills in the home, school, or community increased from 52% to 72%. As in past years, MSB reports that these measures encompass MSB’s increase in residential students with complex challenges, which may account for annual changes in the percentage of students progressing on these measures. MSB graduated all eligible students in 2021 and expects to do so in coming years. **Exhibit 1** displays these academic and independent living skills measures for fiscal 2019 through 2021.

Exhibit 1
Maryland School for the Blind
Academic and Independent Living Skills Measures
Fiscal 2019-2021



IEP: Individualized Education Plan

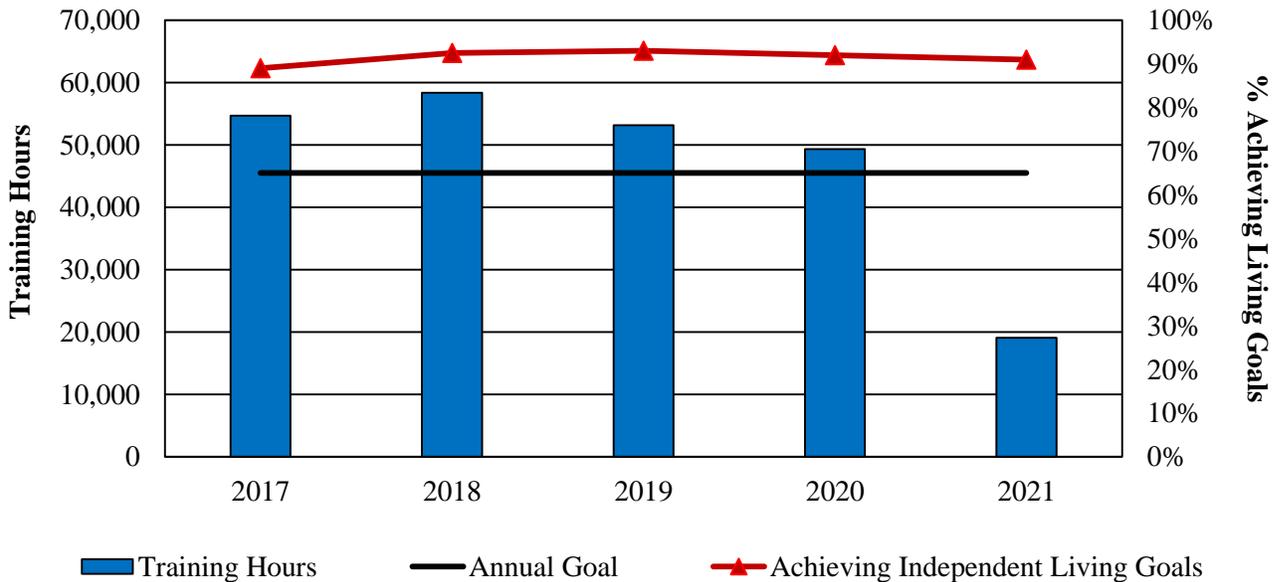
Source: Maryland School for the Blind, Managing for Results

2. Blind Industries and Services of Maryland

One of BISM’s MFR goals is to assist citizens who are blind or have low vision in gaining 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, 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.

Due to decreased program enrollment and the challenges of in-person training due to COVID-19, in fiscal 2021, BISM conducted 19,096 training hours, which is a decrease of 30,279 training hours, or 61%, from fiscal 2020, and represents a total of 26,444 hours less than the agency’s annual goal of 45,540 training hours. Despite this decrease, average training hours since 2017 total 46,950. BISM expects training hours to return to prepandemic levels in fiscal 2022. For achievement of independent living goals, 91% of BISM participants were successful in this measure in fiscal 2021, which is a 1% decrease from fiscal 2020. **Exhibit 2** shows BISM’s achievement of independent living goals and training hours from fiscal 2017 through 2021.

Exhibit 2
Blind Industries and Services of Maryland
Achievement of Independent Living Goals and Training Hours
Fiscal 2017-2021



Source: Blind Industries and Services of Maryland, Managing for Results

Fiscal 2021

In fiscal 2021, general fund expenditures totaled approximately \$30.8 million, which is \$607,000 less than the legislative appropriation. As part of cost containment measures due to COVID-19, in July 2020, the Board of Public Works enacted a 10% across-the-board reduction for the SAIs budget, which resulted in this reduction. Special fund cancellations totaled \$931,918, which included \$929,498 in unspent funds in the Aid to Non-Public Schools program and \$2,420 due to returned funds for schools participating in BOOST.

Fiscal 2022

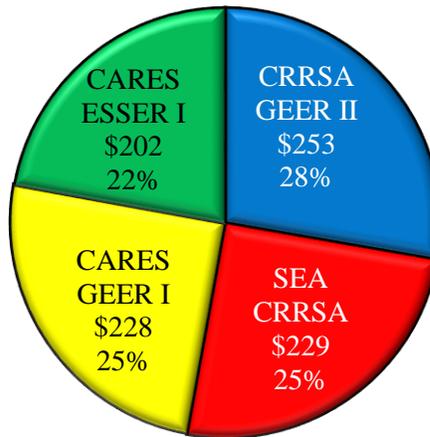
Federal Stimulus Funds

Funding for Educational Organizations federal stimulus funds are administrated by MSDE. These funds fall into two categories – funds allocated directly to MSB and funds available as reimbursable grants to nonpublic schools. MSB received a total of \$911,590 in four federal stimulus fund distributions:

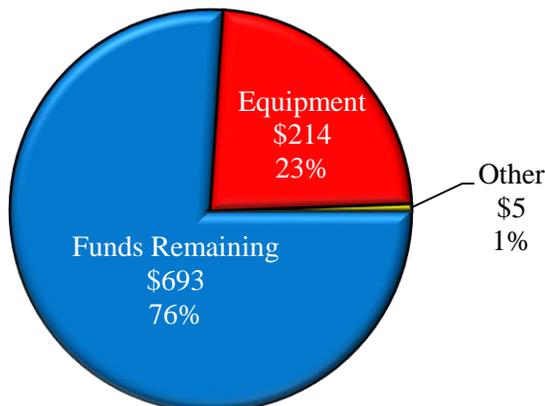
- \$201,612 in fiscal 2020 from the Coronavirus, Aid, Relief, and Economic Security (CARES) Act Elementary and Secondary School Emergency Relief (ESSER I) fund, State Education Agency (SEA) Reopening Grant, which was distributed based on applications to MSDE;
- \$227,568 in fiscal 2021 from the CARES Governor’s Emergency Education and Relief (GEER) I fund, which was distributed to MSB and the Maryland School for the Deaf (MSD) based on enrollment;
- \$253,354 in fiscal 2021 from the Coronavirus Response and Relief Supplemental Appropriation (CRRSA) GEER II fund, which was distributed to MSB and MSD based on enrollment; and
- \$229,056 in fiscal 2021 from the CRRSA SEA ESSER II fund allocated to MSB, MSD, and the School for Educational Evolution and Development as specified by the Maryland General Assembly in Chapter 357.

To date, MSB has spent a total of \$219,000, or 24%, of these funds, with \$693,000, or 76%, of funds remaining. Expenditures include \$214,000, or 23%, on equipment and \$5,000, or less than 1%, in other expenses, including technology and personnel. In calendar 2022, MSB expects to spend remaining GEER I and ESSER I funds on technology and equipment, GEER II funds on compensatory services delivered in summer 2022, and SEA CRRSA funds on early childhood contractual positions. MSB’s remaining CARES ESSER I and GEER I funds must be expended by September 30, 2022; MSB’s remaining CRRSA SEA ESSER II and GEER II must be expended by September 30, 2023. **Exhibit 3** shows MSB’s federal stimulus fund distributions and expenditures.

Exhibit 3
Maryland School for the Blind Federal Stimulus Funds Distribution
Fiscal 2020-2021
(\$ in Thousands)



Federal Stimulus Fund Expenditures
Fiscal 2021-2022
(\$ in Thousands)



CARES: Coronavirus, Aid, Relief, and Economic Security
CRSSA: Coronavirus Response and Relief Supplemental Appropriation
ESSER: Elementary and Secondary School Emergency Relief
GEER: Governor Emergency Education and Relief
SEA: State Education Agency

Source: Maryland State Department of Education; Maryland School for the Blind

R00A03 – MSDE – Funding for Educational Organizations

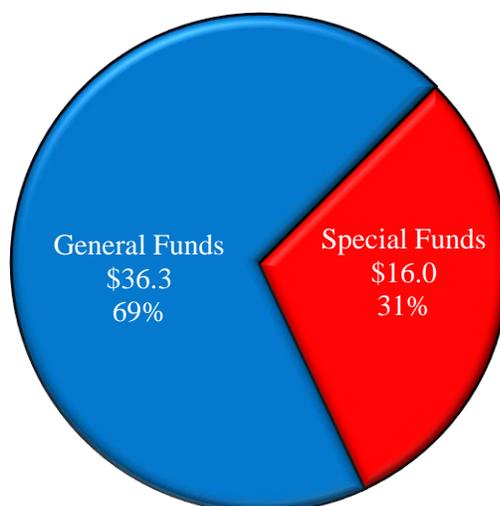
Nonpublic schools received two opportunities to apply for federal stimulus funds. In calendar 2020, nonpublic schools could apply for a Competitive Innovation grant from the \$10.0 million available in the CARES ESSER I fund designated for this purpose. These grants were awarded in early 2021, and 10 K-12 nonpublic schools received a total of \$2.7 million. In calendar 2021, \$35.9 million in funds was made available specifically for the safe reopening of nonpublic schools through the CRRSA GEER II Emergency Assistance to Nonpublic Schools (EANS) program. As reported in the 2021 *Joint Chairmen’s Report (JCR)* on this program, as of December 2021, MSDE has issued two rounds of awards for this grant, with a total of 213 nonpublic schools receiving awards totaling \$17.2 million. MSDE will offer a third and final round of awards in calendar 2022.

Due to the ongoing distribution of the GEER II EANS grant, the Department of Legislative Services (DLS) recommends the adoption of committee narrative directing MSDE to submit an update on this program.

Fiscal 2023 Overview of Agency Spending

In the fiscal 2023 proposed budget, the allowance for Funding for Educational Organizations is approximately \$52.3 million. The general fund allowance is \$36.3 million, or 69%, of this budget, and the special fund allowance is \$16.0 million, or 31%, of this budget. **Exhibit 4** shows the overview of agency spending for the fiscal 2023 allowance.

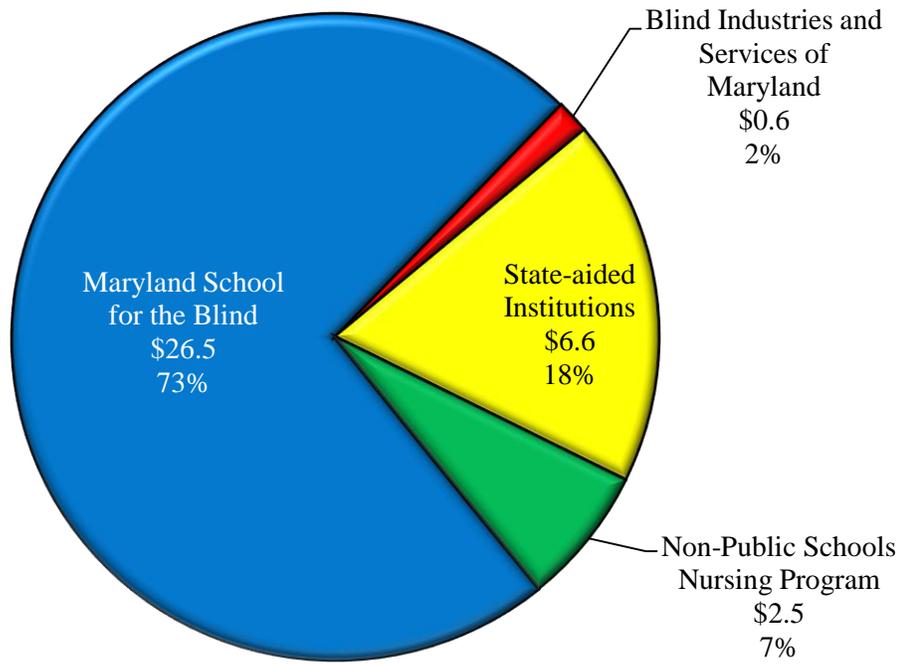
Exhibit 4
Overview of Agency Spending
Fiscal 2023 Allowance
(\$ in Millions)



Source: Governor’s Fiscal 2023 Budget Books

Exhibit 5 shows the distribution of the fiscal 2023 general fund allowance. Of this \$36.3 million, MSB is allocated the majority of the funds, receiving \$26.5 million, or 73%, of the allowance. There is also a newly created Non-Public Schools Nursing Program, which receives \$2.5 million, or 7%, of the fiscal 2023 allowance.

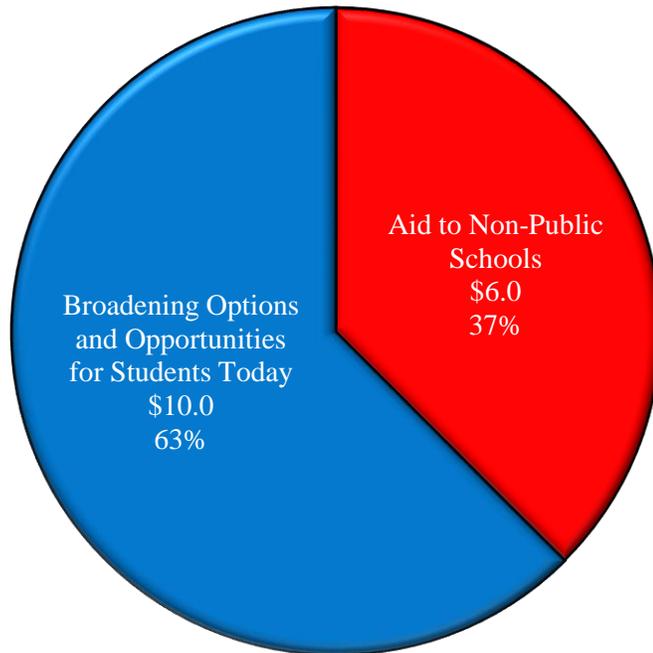
Exhibit 5
General Fund Allowance
Fiscal 2023
(\$ in Millions)



Source: Governor’s Fiscal 2023 Budget Books

Exhibit 6 shows the fiscal 2023 special fund allowance by program. Of the \$16.0 million in special funds appropriated from the Cigarette Restitution Fund (CRF) in fiscal 2023, \$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 6
Special Fund Allowance
Fiscal 2023
(\$ in Millions)



Source: Governor’s Fiscal 2023 Budget Books

Proposed Budget Change

Exhibit 7 shows the fiscal 2023 proposed budget change for MSDE’s Funding for Educational Organizations, which increases by \$5.8 million, or 12.5%, compared to the fiscal 2022 working appropriation.

Exhibit 7
Proposed Budget
Maryland State Department of Education – Funding for Educational Organizations
(\$ in Thousands)

| How Much It Grows: | <u>General Fund</u> | <u>Special Fund</u> | <u>Total</u> |
|-----------------------------------|----------------------------|----------------------------|---------------------|
| Fiscal 2021 Actual | \$30,826 | \$12,479 | \$43,305 |
| Fiscal 2022 Working Appropriation | 30,454 | 16,040 | 46,494 |
| Fiscal 2023 Allowance | <u>36,274</u> | <u>16,040</u> | <u>52,314</u> |
| Fiscal 2022-2023 Amount Change | \$5,820 | \$0 | \$5,820 |
| Fiscal 2022-2023 Percent Change | 19.1% | 0% | 12.5% |

| Where It Goes: | <u>Change</u> |
|--|----------------------|
| General Fund Changes | |
| Non-Public School Nursing Program..... | \$2,500 |
| Maryland School for the Blind formula funding increase per Chapter 36 of 2021..... | 1,695 |
| State-aided Institutions increase per Chapters 399 and 400 of 2021..... | 1,557 |
| Blind Industries and Services of Maryland..... | 69 |
| Total | \$5,821 |

State-aided Institutions

To determine the budget for SAIs, MSDE and the Maryland State Board of Education select applicants from nonprofit organizations that offer educational programming to Maryland students. This list is then forwarded to the Governor for consideration, who determines SAIs that will receive grants in any given fiscal year.

Chapters 399 and 400 require the Governor to include a fiscal 2023 allowance for each SAI that is equal to or greater than the highest allocation that a recipient received in fiscal 2020, 2021 or 2022. In addition, the Governor must also provide an overall increase of \$150,000 in funding for SAIs. To meet this mandate, the fiscal 2023 proposed budget has a total increase of \$240,824, and all 56 institutions that received an allocation in fiscal 2022 receive higher than the Chapters 399 and 400 mandated amount in fiscal 2023. The proposed budget also includes three additional SAIs for a total allowance of approximately \$6.6 million awarded to 59 institutions. **Exhibit 8** shows the fiscal 2022 working appropriation, the mandated amount from Chapters 399 and 400, and the fiscal 2023 allowance.

Exhibit 8
State-aided Institutions
Fiscal 2022-2023

| <u>Institution</u> | <u>2022</u> | <u>2023</u> | <u>Chapters 399 and 400 of 2021 Mandate</u> | <u>Difference from Mandate</u> |
|---|-------------|-------------|---|--|
| Accokeek Foundation | \$16,992 | \$21,072 | \$20,978 | \$94 |
| Adventure Theater | 16,200 | 18,080 | 18,000 | 80 |
| Alice Ferguson Foundation | 67,441 | 83,633 | 83,261 | 372 |
| Alliance of Southern Prince George’s Communities, Inc. | 26,977 | 33,454 | 33,305 | 149 |
| American Visionary Art Museum | 16,200 | 18,080 | 18,000 | 80 |
| Annapolis Maritime Museum | 32,430 | 40,216 | 40,037 | 179 |
| Audubon Naturalist Society | 16,200 | 18,080 | 18,000 | 80 |
| Baltimore Center Stage | 16,200 | 18,080 | 18,000 | 80 |
| Baltimore Museum of Art | 16,200 | 18,080 | 18,000 | 80 |
| Baltimore Museum of Industry | 68,152 | 84,514 | 84,138 | 376 |
| Baltimore Symphony Orchestra | 53,953 | 66,906 | 66,609 | 297 |
| B&O Railroad Museum | 51,115 | 63,386 | 63,104 | 282 |
| Best Buddies International, Maryland Program | 134,883 | 167,265 | 166,522 | 743 |
| Calvert Marine Museum | 42,481 | 52,680 | 52,446 | 234 |
| Chesapeake Bay Environmental Center | 16,200 | 18,080 | 18,000 | 80 |
| Chesapeake Bay Foundation | 0 | 439,296 | 437,341 | 1,955 |
| Chesapeake Bay Maritime Museum | 17,038 | 21,128 | 21,034 | 94 |
| Chesapeake Shakespeare Company | 16,200 | 18,080 | 18,000 | 80 |
| Citizenship Law-Related Education Program | 24,847 | 30,812 | 30,675 | 137 |
| Collegebound Foundation | 30,527 | 37,856 | 37,688 | 168 |
| The Dyslexia Tutoring Program, Inc. | 30,527 | 37,856 | 37,688 | 168 |
| Echo Hill Outdoor School | 45,435 | 56,342 | 56,092 | 250 |
| Everyman Theater | 42,481 | 52,680 | 52,446 | 234 |
| Fire Museum of Maryland | 16,200 | 18,080 | 18,000 | 80 |
| Greater Baltimore Urban League | 16,200 | 18,080 | 18,000 | 80 |
| The Hippodrome Foundation | 0 | 70,000 | 0 | 70,000 |
| Historic London Town and Gardens | 16,200 | 18,080 | 18,000 | 80 |
| Imagination Stage | 202,325 | 250,900 | 249,785 | 1,115 |
| Irvine Nature Center | 16,200 | 18,080 | 18,000 | 80 |
| The Jewish Community Center | 0 | 15,000 | 0 | 15,000 |
| Jewish Museum of Maryland | 16,200 | 18,080 | 18,000 | 80 |
| Junior Achievement of Central Maryland | 34,075 | 42,256 | 42,068 | 188 |
| KID Museum | 16,200 | 18,080 | 18,000 | 80 |

R00A03 – MSDE – Funding for Educational Organizations

| <u>Institution</u> | <u>2022</u> | <u>2023</u> | <u>Chapters 399 and 400 of 2021 Mandate</u> | <u>Difference from Mandate</u> |
|--|--------------------|--------------------|---|--|
| Learning Undeafated (Formerly MdBio Foundation) | 21,241 | 23,706 | 23,601 | 105 |
| Living Classrooms Inc. | 258,409 | 320,447 | 319,023 | 1,424 |
| Maryland Academy of Sciences | 915,879 | 919,967 | 915,879 | 4,088 |
| Maryland Historical Society | 101,516 | 125,888 | 125,329 | 559 |
| Maryland Humanities Council | 35,495 | 44,017 | 43,821 | 196 |
| Maryland Leadership | 36,915 | 45,778 | 45,575 | 203 |
| Maryland Zoo in Baltimore | 690,039 | 855,702 | 851,900 | 3,802 |
| Math, Engineering and Science Achievement | 64,601 | 80,110 | 79,754 | 356 |
| National Aquarium in Baltimore | 403,232 | 500,039 | 497,817 | 2,222 |
| National Great Blacks in Wax Museum | 34,075 | 42,256 | 42,068 | 188 |
| Northbay | 405,000 | 502,232 | 500,000 | 2,232 |
| Olney Theatre | 118,556 | 147,018 | 146,365 | 653 |
| Outward Bound – Baltimore School | 107,908 | 133,814 | 133,219 | 595 |
| Pickering Creek Audubon Center | 0 | 36,000 | 0 | 36,000 |
| Port Discovery | 94,418 | 117,086 | 116,566 | 520 |
| Reginald F. Lewis Museum | 21,241 | 26,340 | 26,223 | 117 |
| Round House Theater | 16,200 | 18,080 | 18,000 | 80 |
| Salisbury Zoological Park | 16,200 | 18,486 | 18,404 | 82 |
| Sotterly Foundation | 16,200 | 18,080 | 18,000 | 80 |
| South Baltimore Learning Center | 34,075 | 42,256 | 42,068 | 188 |
| State Mentoring Resource Center | 64,601 | 80,111 | 15,154 | 64,957 |
| Sultana Projects | 17,038 | 21,128 | 21,034 | 94 |
| SuperKids Camp | 332,239 | 412,003 | 410,172 | 1,831 |
| Village Learning Place | 36,915 | 72,118 | 45,575 | 26,543 |
| Walters Art Museum | 16,200 | 18,080 | 18,000 | 80 |
| Ward Museum of Wildlife Art | 28,398 | 35,214 | 35,058 | 156 |
| Young Audiences of Maryland | 72,218 | 89,556 | 89,158 | 398 |
| Total | \$5,091,088 | \$6,647,804 | \$6,406,980 | \$240,824 |

Note: Numbers may not sum due to rounding. Bold institutions indicate new programs.

Source: Governor’s Fiscal 2022 Proposed Budget; Department of Legislative Services

The fiscal 2022 Budget Bill restricted \$500,000 from the Nonpublic Placement program in the Aid to Education budget (R00A02.07) for CBF, which did not receive SAI funds in fiscal 2022. The Governor did not choose to fund the program, and the fiscal 2023 budget plan recognizes the withheld funds as an assumed fiscal 2022 reversion. With the passage of Chapters 399 and 400, CBF’s allowance for fiscal 2023 returns to its prior funding level of approximately \$437,000.

Maryland School for the Blind

Enrollment

An enrollment formula in § 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 fiscal 2023, MSB’s projected enrollment count is 392, which includes 217 school-age students, 36 early intervention students, and 139 outreach students. For the purposes of formula funding, the fiscal 2023 enrollment totals 305. **Exhibit 9** shows MSB’s enrollment from fiscal 2019 through 2023 estimated.

Exhibit 9
Maryland School for the Blind Enrollment
Fiscal 2019-2023 Estimated

| <u>Fiscal Year</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023 Est.</u> |
|---------------------------------------|-------------|-------------|-------------|-------------|------------------|
| School Year | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
| Early Intervention Students | 30 | 34 | 38 | 34 | 36 |
| Outreach Students | 202 | 173 | 139 | 140 | 139 |
| School Age Students | 194 | 210 | 222 | 211 | 217 |
| Total | 426 | 417 | 399 | 385 | 392 |
| <i>Enrollment for Formula Funding</i> | <i>310</i> | <i>314</i> | <i>311</i> | <i>298</i> | <i>305</i> |

Source: Department of Budget and Management; Maryland School for the Blind

MSB Funding and Expenditures

MSB receives an annual State appropriation based on a formula that includes enrollment, an allocation based on the per pupil amount in the State Share of the Foundation formula in § 5-201 of the Education Article, and an additional grant of \$1.0 million as mandated in Chapter 672 of 2016. With the implementation of Chapter 36 of 2021, MSB’s per pupil allocation increases from \$7,390 in fiscal 2022 to \$8,310 in fiscal 2023. MSB’s enrollment for formula funding increases by 7 students from 298 in fiscal 2022 to 305 in fiscal 2023, which, when combined with the annual grant, results in a total increase of approximately \$1.7 million in formula funding for MSB in fiscal 2023.

In addition to its State appropriation, MSB receives other State revenues from 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

R00A03 – MSDE – Funding for Educational Organizations

Maryland Information Resource Center. Local revenue sources include tuition, extended school year, and direct orientation and mobility payments from local education agencies (LEA), which are 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 revenue. Fiscal 2022 revenues total \$36.8 million, with State and local revenue sources accounting for \$34.0 million (92%) of this amount. Reimbursable funds for COVID-19-related expenses from federal and local sources account for \$768,000. Expenses total \$42.4 million, which is \$5.6 million more than MSB’s anticipated revenues in fiscal 2022. MSB’s fiscal 2019, 2020, and 2021 final actuals do not have revenues exceeding expenditures; however, this is due to annual cost-cutting measures, private gifts, and if necessary, funds from the school’s endowment in these years. **Exhibit 10** shows MSB’s revenues and expenditures for fiscal 2018 through 2022.

Exhibit 10
Maryland School for the Blind Revenues and Expenditures
Fiscal 2020-2022
(\$ in Thousands)

| | <u>Source</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|--|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenues | | | | | | |
| State Appropriation | State | \$23,018 | \$23,347 | \$23,948 | \$24,831 | \$24,831 |
| Enhanced Services | State | 4,636 | 5,237 | 5,584 | 4,669 | 5,400 |
| Sponsored Projects | Federal, State | 1,170 | 1,091 | 1,183 | 987 | 897 |
| Tuition | Local | 1,285 | 1,587 | 1,843 | 1,997 | 1,820 |
| Extended School Year | Local | 533 | 636 | 745 | 756 | 730 |
| Direct Orientation and Mobility | Local | 679 | 1,163 | 981 | 991 | 1,000 |
| Private gifts | Private | 1,105 | 893 | 989 | 1,164 | 800 |
| Reimbursable Funds for COVID-19 Expenditures | Federal, Local | 0 | 0 | 0 | 223 | 768 |
| Other | | 211 | 219 | 144 | 302 | 595 |
| Total Revenues | | \$32,638 | \$34,173 | \$35,417 | \$35,920 | \$36,841 |
| Total State and Local Revenue Sources (Approximate) | | \$30,152 | \$31,970 | \$33,101 | \$33,443 | \$33,980 |
| Percentage of State and Local Revenue Sources (Approximate) | | 92% | 94% | 93% | 93% | 92% |
| Expenses | | \$33,042 | \$33,904 | \$32,328 | \$32,126 | \$42,427 |
| Revenue Less Expenses | | -\$404 | \$269 | \$3,089 | \$3,794 | -\$5,586 |

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

MSB Spending by Category

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 salaries, wages, and benefits from fiscal 2022 and 2023 of approximately \$1.3 million, or 5%, which represents an overall increase of \$7.7 million, or 34%, when compared with fiscal 2021 actual spending. These increases are related to cost-of-living adjustments and rising costs to provide living wages and commensurate benefits. In 2018, MSB was informed that their employee pension plan would increase by \$3.0 million per year starting in fiscal 2020 due to mortality projections and other actuarial assumptions, which is reflected in the fiscal 2022 working appropriation but not in the fiscal 2021 actual or projected 2023 budget due to the method by which these payments are amortized. MSB has decided to change pension plans in fiscal 2023; therefore, projected fiscal 2023 pension spending is an estimate at this time. **Exhibit 11** shows MSB’s expenses by spending category from fiscal 2021 through 2023.

Exhibit 11
Maryland School of the Blind Spending by Category
Fiscal 2021-2023
(\$ in Thousands)

| <u>Expenses</u> | <u>Actual</u> <u>2021</u> | <u>Working</u> <u>2022</u> | <u>Projected</u> <u>2023</u> | <u>Change</u> <u>2022-2023</u> | <u>% Change</u> <u>2022-2023</u> |
|---|------------------------------|-------------------------------|---------------------------------|-----------------------------------|-------------------------------------|
| Salaries, Wages, and Benefits | \$22,545 | \$28,072 | \$30,253 | \$1,281 | 5% |
| Employee Pensions | 1,502 | 3,963 | 1,388 | -2,575 | -65% |
| Fixed Charges | 4,318 | 6,026 | 6,078 | 52 | 1% |
| Contractual Services | 1,470 | 1,731 | 2,169 | 438 | 25% |
| Supplies and Materials | 1,294 | 1,363 | 1,952 | 589 | 43% |
| Transportation Costs | 888 | 1,119 | 1,209 | 90 | 8% |
| Other Expenses | 78 | 153 | 166 | 13 | 8% |
| Total | \$32,095 | \$42,427 | \$43,215 | -\$112 | -0.3% |
| Change in Personnel Costs from Fiscal 2021 through 2023 | | | | \$7,708 | 34% |

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

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

As part of Chapter 423 of 2021, MSB expects to have a review of its pay plan starting in fiscal 2024. The bill’s requirements are modeled after similar provisions of State law that require the Secretary of Budget and Management to establish, and periodically adjust, a uniform pay plan for teachers and other professional personnel of MSD. This legislation does not change MSB’s formula funding but, depending on the results of the review, may change MSB’s allowance for personnel expenses.

Issues

1. BOOST

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 2023 is the seventh year of the BOOST program.

The fiscal 2022 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, determining the scholarship award amounts, and making final scholarship decisions. The amount of the scholarship award may not exceed the lesser of the statewide average per pupil expenditure by LEAs 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.

BOOST Standardized Assessments Results Due Shortly

Schools with students in the BOOST program are required to administer standardized tests approved by the National Blue Ribbon program. However, due to the COVID-19 pandemic, assessment requirements for the 2019-2020 school year were waived in spring 2020. For school year 2020-2021 assessments, schools could choose whether to administer assessments in either spring 2021 or fall 2021. MSDE is in the process of compiling these assessments with assessment results available by April 2022.

BOOST Appropriations and Fund Balances

The fiscal 2022 BOOST appropriation for the 2021-2022 school year was \$10.0 million. The total amount available for awards included the \$10.0 million appropriation plus an additional \$700,000 in funds retained from fiscal 2021, for a total of \$10.7 million available for awards. The BOOST Advisory Board offered approximately \$12.2 million in awards, of which \$1.9 million, or 17%, was declined. Of this \$1.9 million, \$363,000 were renewal awards, \$908,000 were new awards, and \$648,000 were award adjustments based on tuition. With these declines, MSDE retains a \$458,000 fund balance for fiscal 2023 awards. **Exhibit 12** displays fiscal 2022 BOOST awards and the program’s remaining balance headed into fiscal 2023.

Exhibit 12 BOOST Current Appropriation and Fund Balance Fiscal 2022

| | <u>Fund Balance</u> |
|--|-------------------------|
| Fiscal 2022 Working Appropriation | \$10,000,000 |
| Fiscal 2021 Balance Remaining | 701,026 |
| Total Funds Available for Awards in the 2021-2022 School Year | \$10,701,026 |
| Total Awards Offered and Accepted, Including Award Adjustments | \$12,161,850 |
| Declined Renewal Awards | -362,950 |
| Declined New Awards | -908,500 |
| Award Adjustments Based on Tuition | -647,675 |
| Total Awards Offered and Accepted as of December 2021 | \$10,242,725 |
| <i>Remaining Balance</i> | <i>\$458,301</i> |

BOOST: Broadening Options and Opportunities for Students Today

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

BOOST Student Awards

Chapter 357 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 as an additional per student award to high school students.

R00A03 – MSDE – Funding for Educational Organizations

For fiscal 2022, scholarship awards to BOOST students total approximately \$12.2 million (including approximately \$1.9 million in declined awards). Of this amount, \$3.7 million was awarded to 772 students who qualified for free meals and attended public school, \$1.5 million was awarded to 404 students who qualified for reduced-price meals and attended public school, \$2.4 million was awarded to 1,531 students who qualified for free meals and attended private school, and \$1.0 million was awarded to 849 students who qualified for reduced-price meals and attended private school. A total of 870 high school students were awarded \$2.6 million in additional awards, and 246 special education students were awarded \$901,450. **Exhibit 13** displays these awards by category of student.

Exhibit 13
Broadening Options and Opportunities for Students Today
Total Student Awards Offered
Fiscal 2022

| <u>Scholarships Awarded and Accepted</u> | <u>Students</u> | <u>Average Income</u> | <u>Maximum Scholarship Amount</u> | <u>Total</u> |
|--|------------------------|------------------------------|--|---------------------------|
| Qualified for Free Meals, Attended Public School | 772 | \$22,263 | \$4,750 | \$3,667,000 |
| Qualified for Reduced-price Meals, Attended Public School | 404 | 40,540 | 3,750 | 1,515,000 |
| Qualified for Free Meals, Attended Private School | 1,531 | 27,911 | 1,600 | 2,449,600 |
| Qualified for Reduced-price Meals, Attended Private School | 849 | 49,575 | 1,200 | 1,018,800 |
| <i>Subtotal – Base Awards</i> | <i>\$3,556</i> | <i>\$35,072</i> | | <i>\$8,650,400</i> |
| Adjusted Award – Special Education | 246 | | - | \$901,450 |
| Adjusted Award – High School | 870 | | 3,000 | 2,610,000 |
| <i>Subtotal – Adjustments</i> | <i>\$1,116</i> | | | <i>\$3,511,450</i> |
| Total Amount Awarded | | | | \$12,161,850 |

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

Data on 2021-2022 BOOST Students

Chapter 357 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

R00A03 – MSDE – Funding for Educational Organizations

BOOST scholarships; and (9) expelled or withdrawn students that received BOOST scholarships. A snapshot of these data for the 2021-2022 school year are:

- 55.5 % of BOOST recipients are non-White;
- 56% of teachers are certified in their subject area;
- 32% students are designated as English language learners; and
- 7% of students are designated as special education.

Additional information on the BOOST program can be found in MSDE’s 2021 JCR response. **DLS recommends restoring previous language from Chapter 357 for this program.**

2. Governor Uses General Funds for New Non-Public Schools Nursing Program

The fiscal 2023 allowance includes \$2.5 million in general funds to establish a new Non-Public Schools Nursing Program. According to the budget books, this program will provide grants to nonpublic schools statewide that need financial support to provide nursing services. No additional information on the program has been provided.

As noted earlier in this document, MSDE has more than \$18.7 million of federal funds available to allocate to nonpublic schools in calendar 2022 to offset the impact of COVID-19 on school budgets. **DLS recommends cutting the expansion of assistance to non-public schools given the availability of significant federal funds to assist the schools.**

Operating Budget Recommended Actions

1. Amend the following language to the special fund appropriation:

, 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 2316(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 to the special fund appropriation:

- (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 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

R00A03 – MSDE – Funding for Educational Organizations

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 2023 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 2022 or 2023 may not participate in the program in fiscal 2023. 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 fiscal 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 2022 or 2023 is not eligible to participate in the program in fiscal 2023 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 2021-2022 school year;

Explanation: This language specifies that to participate in the Broadening Options and Opportunities for Students Today (BOOST) Program during the 2022-2023 school year, a nonpublic school must have already participated in the Aid to Non-Public Schools Program during the 2021-2022 school year. This language eliminates ambiguity for the Maryland State Department of Education, specifying that nonpublic schools are eligible for BOOST for the 2022-2023 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 2022-2023 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.

R00A03 – MSDE – Funding for Educational Organizations

- (5) There is a BOOST Advisory Board that shall be appointed as follows: 2 members 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, 2022, for the 2022-2023 school year to eligible individuals. Any unexpended funds not awarded to students for scholarships shall be encumbered at the end of fiscal 2023 and available for scholarships in the 2023-2024 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.

R00A03 – MSDE – Funding for Educational Organizations

Further provided that MSDE shall submit a report to the budget committees by January 15, 2023, that includes the following:

- (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 2021-2022 school year by the student; and (c) if the student attended the same nonpublic school in the 2021-2022 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2021-2022 school year and will receive in the 2022-2023 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 2021-2022 school year who are attending public school for the 2022-2023 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 2021-2022 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

R00A03 – MSDE – Funding for Educational Organizations

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.

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 2022-2023 school year, the BOOST Advisory Board shall make all scholarship awards no later than December 31, 2022, 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, 2023, 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 2021-2022 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, 2023 |

| | <u>Amount Reduction</u> | <u>Position Reduction</u> |
|---|--------------------------------|----------------------------------|
| 6. Delete general fund appropriation for the Non-Public School Nursing Program due to the availability of significant federal funds to assist non-public schools. | \$ 2,500,000 | GF |
| 7. Adopt the following narrative: | | |

Report on the Governor’s Emergency Education Relief (GEER) 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, GEER II Fund. In calendar 2021, the Maryland State Department of Education (MSDE) reported that the agency continues to distribute funds for this program. The budget committees request that on September 1, 2022, MSDE report on allocations and expenditures of the nonpublic schools GEER II grant. This report should include:

- amount awarded to each nonpublic school in all distributions round;

R00A03 – MSDE – Funding for Educational Organizations

- aggregate expenditures for fiscal 2021 and 2022 on specific safe reopening needs by type, including but not limited to air quality monitoring or air purification devices, personal protective equipment, health room equipment or supplies, social distancing, transportation, and personnel;
- administrative expenses by object; and
- amount of funds remaining, the intended use of remaining funds, and/or amount of canceled funds.

| Information Request | Author | Due Date |
|---|---------------|---------------------|
| Report on GEER II funding for nonpublic schools | MSDE | September 1, 2022 |
| Total General Fund Reductions | | \$ 2,500,000 |

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

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

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.

State-aided Institutions

The SAIs 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 2023, 60 programs receive \$6.6 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.

R00A03 – MSDE – Funding for Educational Organizations

- **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 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.
- **CBF** provides an environmental education program encompassing student field experiences and summer in-service courses for teachers.
- **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.

R00A03 – MSDE – Funding for Educational Organizations

- **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.
- **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.
- **The Hippodrome Foundation** in Baltimore facilitates access to experts in the fields of music, dance, and theater and teaches students about the Hippodrome and the world of theater.
- **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.
- **The Jewish Community Center** of Greater Baltimore provides health and fitness opportunities for children and teens through fun, enriching, and immersive experiences.
- **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.

R00A03 – MSDE – Funding for Educational Organizations

- **Learning Undefeated** 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.
- **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.
- **Pickering Creek Audubon Center** in Easton conserves natural habitats on Maryland’s Eastern Shore and engages the community through exploration, education, and stewardship.

R00A03 – MSDE – Funding for Educational Organizations

- **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.
- **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 a six-week academic enrichment program designed to help elementary school-age 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 CRF.

Broadening Options and Opportunities for Students Today Program

The BOOST Program provides scholarships for students who are eligible for free and reduced-price lunches 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.

Non-Public Schools Nursing Program

The Non-Public Schools Nursing Program provides grants for services at non-public schools statewide. The Governor authorized this program for the first time in fiscal 2023 through the budget bill. This program is funded with general funds.

Appendix 2
2021 Joint Chairmen’s Report Responses from Agency

The 2021 JCR requested that MSDE prepare three reports. Electronic copies of the full JCR responses can be found on the DLS Library website.

- **Report on GEER II Funding for Nonpublic Schools:** In January 2021, the Governor announced \$35.8 million for Maryland nonpublic schools as part of the CRRSA Act of 2021. This report required MSDE to report on awards to nonpublic schools from this grant program. In calendar 2021, MSDE has issued two rounds of awards for this grant, with a total of 213 nonpublic schools receiving grants and distributions of \$17.2 million. MSDE will offer a third and final round of funding in calendar 2022. Further discussion of these grants can be found in the Issues section of this analysis.
- **BOOST Program:** This report response required MSDE to submit detailed data on applicants for the 2021-2022 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.
- **Report on Participation of Nonpublic School Students in Dual Enrollment Programs:** This report required MSDE, in collaboration with the Maryland Longitudinal Data System Center, to investigate participation by nonpublic schools in dual enrollment programs. In the response, the agencies reported that based on a survey of 150 nonpublic schools in Maryland, approximately 31% offer access to dual enrollment programs, primarily with community colleges. Subject areas most offered were social sciences, history, and mathematics.

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

| <u>Object/Fund</u> | <u>FY 21</u> <u>Actual</u> | <u>FY 22</u> <u>Working</u> <u>Appropriation</u> | <u>FY 23</u> <u>Allowance</u> | <u>FY 22 - FY 23</u> <u>Amount Change</u> | <u>Percent</u> <u>Change</u> |
|---|-------------------------------|--|----------------------------------|--|---------------------------------|
| Objects | | | | | |
| 12 Grants, Subsidies, and Contributions | \$ 43,304,734 | \$ 46,493,538 | \$ 52,313,810 | \$ 5,820,272 | 12.5% |
| Total Objects | \$ 43,304,734 | \$ 46,493,538 | \$ 52,313,810 | \$ 5,820,272 | 12.5% |
| Funds | | | | | |
| 01 General Fund | \$ 30,825,835 | \$ 30,453,538 | \$ 36,273,810 | \$ 5,820,272 | 19.1% |
| 03 Special Fund | 12,478,899 | 16,040,000 | 16,040,000 | 0 | 0% |
| Total Funds | \$ 43,304,734 | \$ 46,493,538 | \$ 52,313,810 | \$ 5,820,272 | 12.5% |

Note: The fiscal 2022 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2023 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 21 Actual</u> | <u>FY 22 Wrk Approp</u> | <u>FY 23 Allowance</u> | <u>Change</u> | <u>FY 22 - FY 23 % Change</u> |
|--|-------------------------|-----------------------------|----------------------------|---------------------|-----------------------------------|
| 01 Maryland School for the Blind | \$ 24,831,335 | \$ 24,831,335 | \$ 26,526,006 | \$ 1,694,671 | 6.8% |
| 02 Blind Industries and Services of Maryland | 531,115 | 531,115 | 600,000 | 68,885 | 13.0% |
| 03 Other Institutions | 5,463,385 | 5,091,088 | 6,647,804 | 1,556,716 | 30.6% |
| 04 Aid to Non-Public Schools | 5,110,502 | 6,040,000 | 6,040,000 | 0 | 0% |
| 05 Broadening Options and Opportunities for Students Today | 7,368,397 | 10,000,000 | 10,000,000 | 0 | 0% |
| 06 Unknown Title | 0 | 0 | 2,500,000 | 2,500,000 | 0% |
| Total Expenditures | \$ 43,304,734 | \$ 46,493,538 | \$ 52,313,810 | \$ 5,820,272 | 12.5% |
| General Fund | \$ 30,825,835 | \$ 30,453,538 | \$ 36,273,810 | \$ 5,820,272 | 19.1% |
| Special Fund | 12,478,899 | 16,040,000 | 16,040,000 | 0 | 0% |
| Total Appropriations | \$ 43,304,734 | \$ 46,493,538 | \$ 52,313,810 | \$ 5,820,272 | 12.5% |

Note: The fiscal 2022 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2023 allowance does not include contingent reductions or cost-of-living adjustments.