

**R99E**  
**Maryland School for the Deaf**

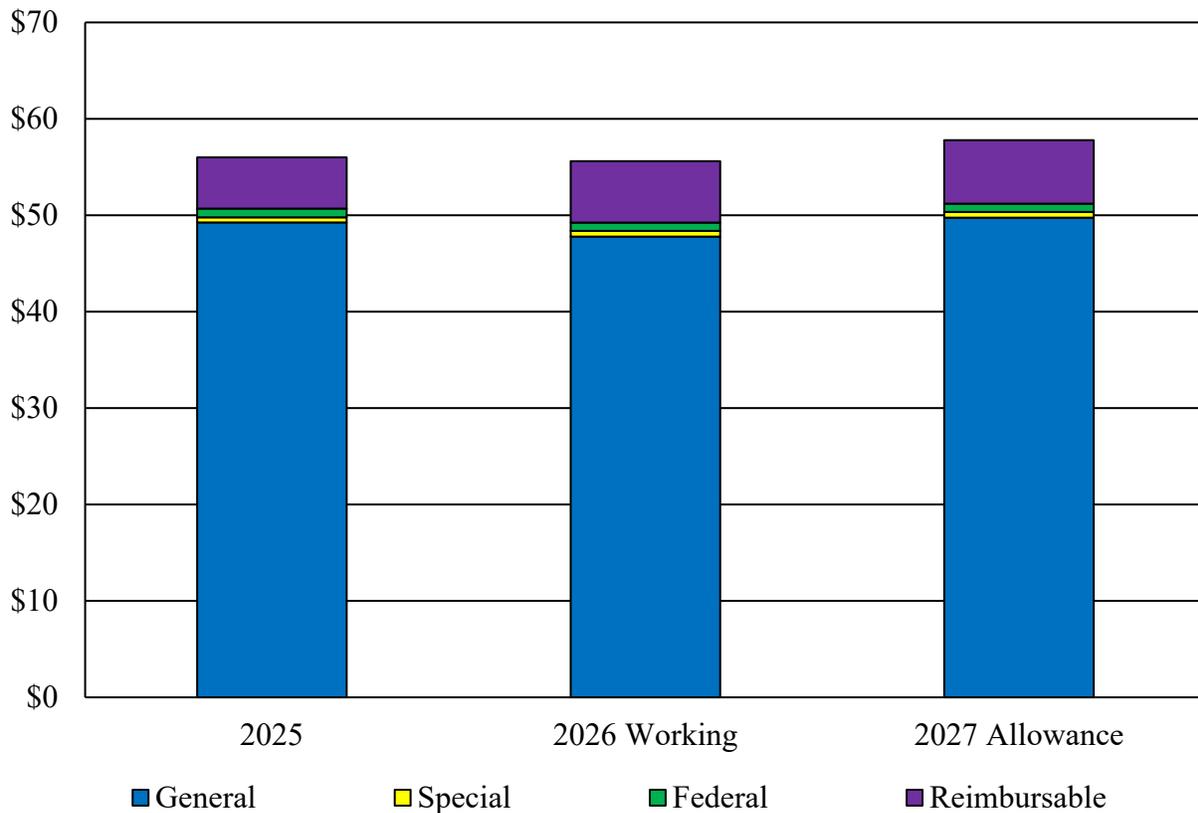
**Program Description**

The Maryland School for the Deaf (MSD) is a public school that educates deaf and hard of hearing students from across the State at its two campuses in Frederick and Columbia. Students range in age from prekindergarten through age 21. MSD also serves the families of its students through early intervention and enhanced services programs, which provide education, early childhood programs, and American Sign Language classes.

***Operating Budget Summary***

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**Fiscal 2027 Budget Increases \$2.2 Million, or 3.9%, to \$57.8 Million  
(\$ in Millions)**



Note: The fiscal 2026 working appropriation accounts for deficiencies. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

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## **Fiscal 2026**

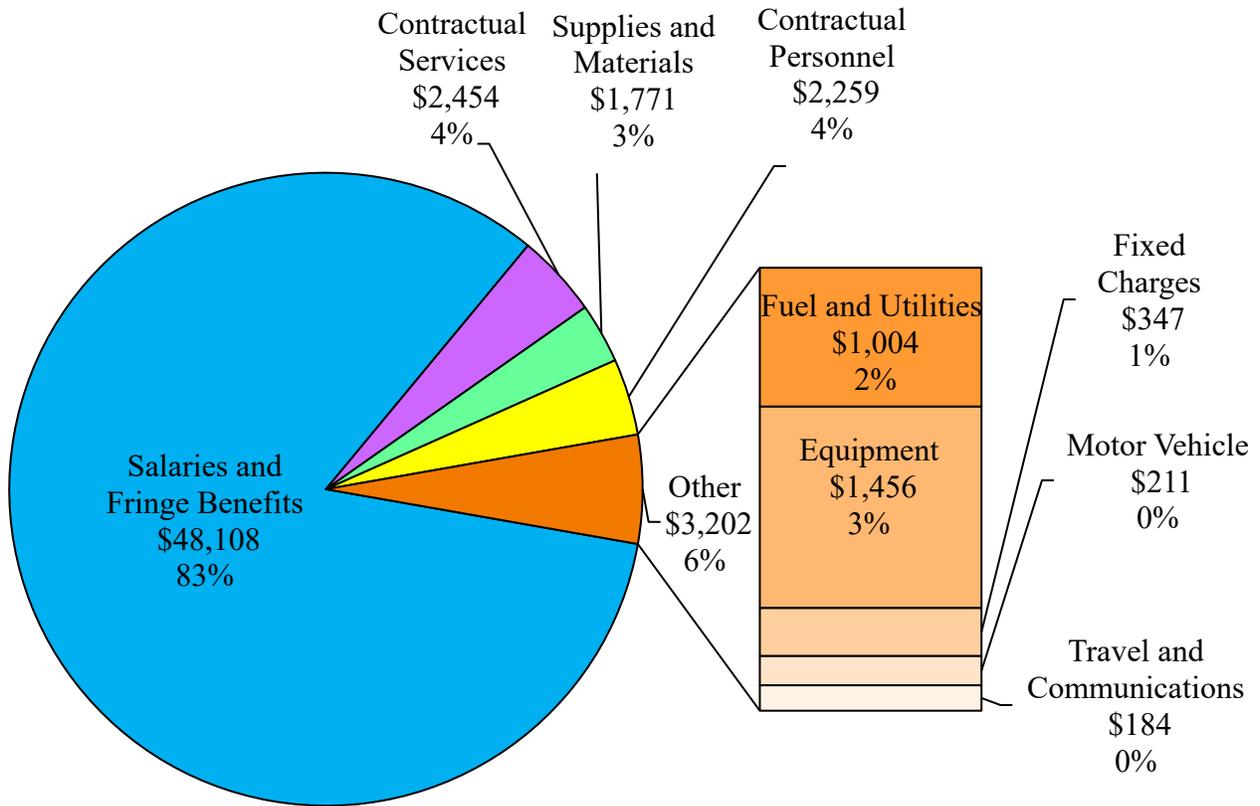
### **Proposed Deficiency**

MSD receives a personnel deficiency totaling \$1,911,074 (\$1,898,651 in general funds, \$7,109 in special funds, and \$5,314 in federal funds), which covers shortfalls related to lower than expected vacancy savings.

## **Fiscal 2027 Overview of Agency Spending**

The fiscal 2027 proposed budget for MSD totals \$57.8 million, as shown in **Exhibit 1**. Salaries and fringe benefits for regular personnel total \$48.1 million, or 83% of the total allowance. Contractual services total \$2.5 million and primarily support facility operations, accessibility services, and administrative functions. Facility services account for approximately \$1.23 million and include building and road repair and maintenance, equipment repairs and rentals, ground maintenance, and other routine facility operations. Accessibility and program support services total \$561,349 and consist primarily of sign language interpreter services and education and training contracts. Administrative and general operational services total \$332,810 and include printing, legal services, administrative hearings, and other contractual services, while information technology services total \$246,404 and support computer maintenance, Department of Information Technology services, and other data processing needs. The remaining \$80,726 reflects statewide administrative fees and system allocations. Contractual personnel expenses total approximately \$2.3 million.

**Exhibit 1**  
**Overview of Agency Spending**  
**Fiscal 2027 Allowance**  
**(\$ in Thousands)**



Note: The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency's budget.

Source: Governor's Fiscal 2027 Budget Books

## Proposed Budget Change

MSD’s fiscal 2027 general fund allowance is formula-based and calculated using (1) a per pupil allocation in §5-201 of the Education Article and (2) the enrollment formula specified in §8-3A-09 of the Education Article. Due to an increase in the per pupil amount mandated in Chapter 55 of 2021 (Blueprint for Maryland’s Future – Revisions), MSD’s per pupil funding increases by \$335 from \$9,226 in fiscal 2026 to \$9,561 in fiscal 2027. When combined with changes to other fund sources and the general fund deficiency allocation for personnel expenses, MSD’s proposed budget increases by \$2.2 million compared to the fiscal 2026 working appropriation. **Exhibit 2** shows these proposed changes.

**Exhibit 2**  
**Proposed Budget**  
**Maryland School for the Deaf**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General</u> <u>Fund</u></b>	<b><u>Special</u> <u>Fund</u></b>	<b><u>Federal</u> <u>Fund</u></b>	<b><u>Reimb.</u> <u>Fund</u></b>	<b><u>Total</u></b>
Fiscal 2025 Actual	\$49,253	\$530	\$907	\$5,318	\$56,009
Fiscal 2026 Working	47,786	602	856	6,370	55,613
Fiscal 2027 Allowance	49,758	589	866	6,580	57,794
Fiscal 2026-2027 \$ Change	\$1,972	-\$12	\$10	\$211	\$2,181
Fiscal 2026-2027 % Change	4.13%	-2.06%	1.22%	3.31%	3.92%
<b>Where It Goes:</b>					<b><u>Change</u></b>
<b>Personnel Expenses</b>					
Employee and retiree health insurance .....					\$1,987
Salary adjustments and associated fringe benefits.....					154
Deferred compensation match due to statewide change in budgeting.....					19
Workers’ compensation premium assessment.....					19
<b>Other Changes</b>					
Adjustment of curriculum-related purchases to align with recent actual expenditures .....					118
Replacement of a handicap-accessible bus used to transport students who are deaf and have mobility impairments .....					35
Technical adjustments for fringe benefits for contractual positions.....					-51
Cost allocations.....					-101
<b>Total</b>					<b>\$2,181</b>

Note: Numbers may not sum to total due to rounding. The fiscal 2026 working appropriation accounts for deficiencies. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

## Enrollment

**Exhibit 3** shows MSD’s recent actual enrollment history in fiscal 2023 through 2025 and estimates for fiscal 2026 and 2027. An enrollment formula in §8-3A-09 of the Education Article determines MSD’s annual enrollment count, which uses a four-year average to mitigate sharp increases and decreases in the student population. For the purposes of calculating MSD’s enrollment for formula funding, early intervention students are counted at 50% of enrollment, and school-age students are counted at 100% of enrollment (enhanced services students are not included in this count because those services are provided off campus). **MSD should comment on factors affecting recent enrollment fluctuations, including the increase in total enrollment in fiscal 2025 following a decline in fiscal 2024 and whether enrollment levels are expected to remain stable in future years.**

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**Exhibit 3**  
**Maryland School for the Deaf Enrollment**  
**Fiscal 2023-2027 Est.**

<u>Fiscal Year</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026 Est.</u>	<u>2027 Est.</u>
School Year	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
School-age Students	391	377	404	381	389
Early Intervention Students	67	74	74	65	67
<b>Total</b>	<b>458</b>	<b>451</b>	<b>478</b>	<b>446</b>	<b>456</b>
<i>Enrollment for Formula Funding</i>	<i>425</i>	<i>414</i>	<i>441</i>	<i>414</i>	<i>423</i>

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

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## ***Personnel Data***

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	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26-27</b>
	<b><u>Actual</u></b>	<b><u>Working</u></b>	<b><u>Allowance</u></b>	<b><u>Change</u></b>
Regular Positions	362.50	372.50	372.50	0.00
Contractual FTEs	<u>77.30</u>	<u>29.00</u>	<u>29.00</u>	<u>0.00</u>
<b>Total Personnel</b>	<b>439.80</b>	<b>401.50</b>	<b>401.50</b>	<b>0.00</b>

### ***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	6.82	1.83%
Positions and Percentage Vacant as of 12/31/2025	14.00	3.76%
Vacancies Above Turnover	7.18	

- As of December 31, 2025, MSD reports 14.0 vacant positions, which is 7.18 above the budgeted turnover in fiscal 2027.
- The fiscal 2027 allowance reflects a 2% cost-of-living adjustment for MSD employees in positions covered by collective bargaining agreements. Funding for this salary increase is budgeted centrally in the Department of Budget and Management.

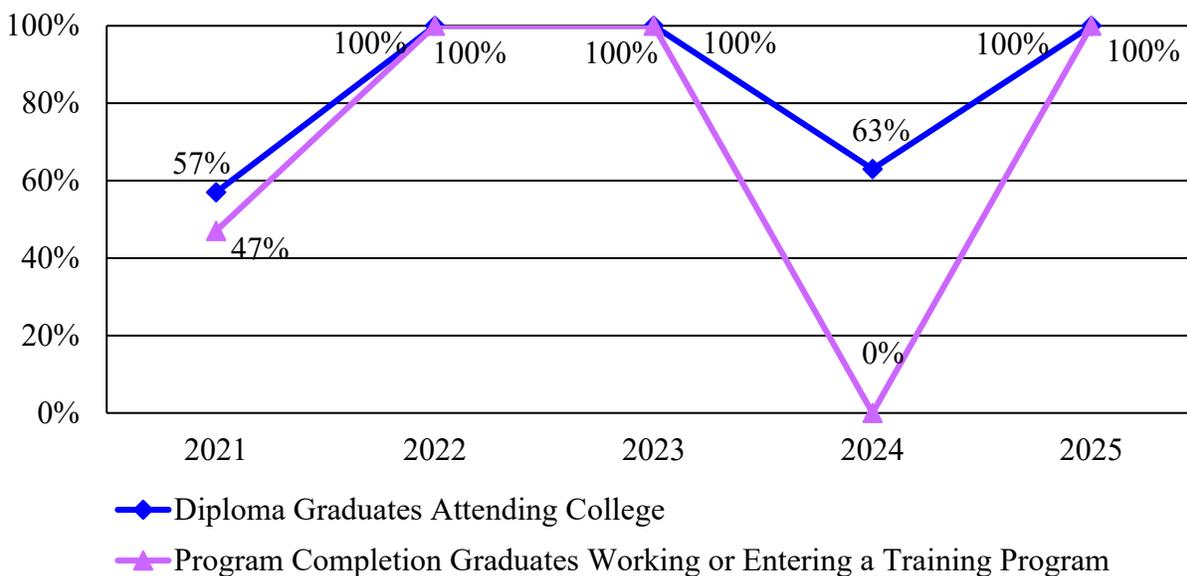
## ***Key Observations***

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### **1. MSD Graduation and Training Outcomes**

MSD has two Managing for Results (MFR) goals for graduating students: (1) at least 80% of students earning a Maryland State High School Diploma will attend college; and (2) at least 80% of students earning a Maryland State Certification of Program Completion will work or attend a training program. As shown in **Exhibit 4**, recent outcomes have varied, reflecting the small size of graduating cohorts. Among diploma graduates, 63% of the 16 students in the 2024 graduating class attended college followed by an increase to 100% of the 15 students in the 2025 graduating class. For students earning a certificate of program completion, none of the 5 students in calendar 2024 entered work or a training program at the time of reporting, while 100% of the 6 students in calendar 2025 did so.

**Exhibit 4**  
**Students Headed to College, Training, and Work**  
**Fiscal 2021-2025**



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

MSD indicates that year-to-year variation in both measures is largely related to small cohort sizes, changes in student decision making following the COVID-19 pandemic, and limited access to postsecondary and adult service supports. For diploma graduates, MSD reports that concerns about college affordability, reduced access to Vocational Rehabilitation supports, and increased interest in nontraditional postsecondary options, such as taking a gap year or entering the workforce before college, have contributed to delayed enrollment in some years. For certificate earning students, the 0% outcome reported in 2024 reflects timing and reporting limitations, as all five students in that cohort were on waiting lists for appropriate programs when the data were collected and enrolled after the reporting period closed. MSD notes that extended waiting lists, limited provider capacity, and reporting timelines that do not capture delayed placements continue to affect reported outcomes.

## 2. Kindergarten Readiness Assessment Redesign

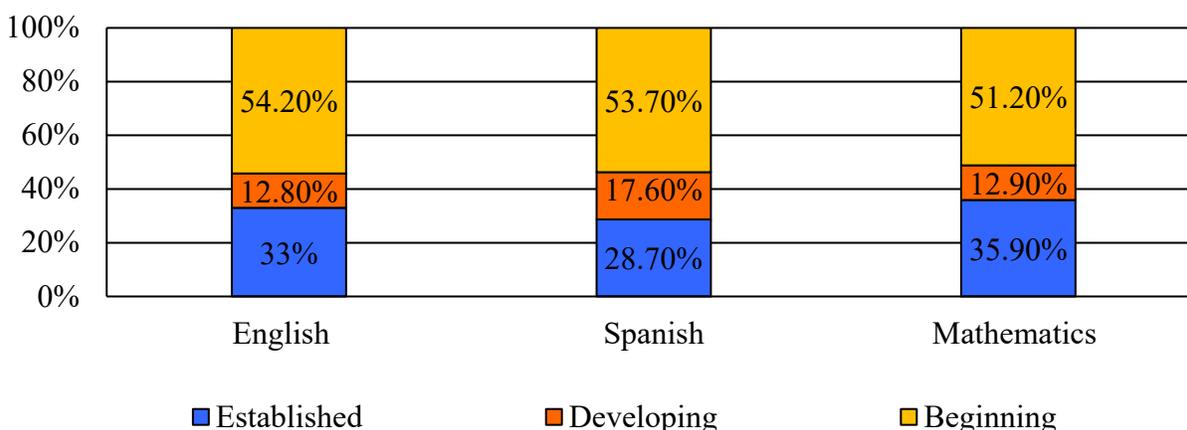
In February 2024, a study commissioned by the Maryland State Department of Education (MSDE) found implicit bias in the Kindergarten Readiness Assessment (KRA) for students from various racial, ethnic, and linguistic backgrounds, and MSDE subsequently placed the assessment

on hold statewide. A redesigned KRA was implemented for the first time in school year 2025-2026 and administered during the fall window from August 1 through October 10, 2025, and includes measures of early literacy, mathematics, and the Social, Academic, Emotional Behavior Risk Screener, which is a teacher survey. MSD typically reports KRA results for its students in the annual MFR submission; however, MSD previously reported that the KRA may not have been an appropriate tool for its student population. Due to data lags in the MFR submission, the latest actual data (fiscal 2025) reflects a year when the KRA was still on hold, so initial MSD results in the first year of the KRA redesign have not been reported.

**Exhibit 5** shows overall results from the redesigned KRA for school year 2025 to 2026 for students with disabilities, not only MSD students, and indicates varied readiness levels in early literacy and mathematics. In English language arts administered in English, 33% of students demonstrated Established skills, meaning they met kindergarten readiness expectations, while 12.8% were rated Developing, indicating partial mastery of foundational skills, and 54.2% were rated Beginning, reflecting limited demonstration of readiness skills at the time of assessment. Similar patterns were observed in English language arts administered in Spanish, where 28.7% of students scored at the Established level, 17.6% at Developing, and 53.7% at Beginning. In mathematics, 35.9% of students demonstrated Established skills, 12.9% were rated Developing, and 51.2% were rated Beginning. MSDE indicated that these performance levels represent a snapshot of student skills upon kindergarten entry and are intended to inform instructional planning rather than serve as a measure of long-term student outcomes. **MSD should provide the results of the redesigned KRA for its students in the 2025 to 2026 school year and discuss how the assessment will be used to inform instruction and support.**

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**Exhibit 5**  
**New Kindergarten Readiness Assessment for Students with Disabilities**  
**School Year 2025-2026**



Source: Maryland State Department of Education

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## ***Operating Budget Recommended Actions***

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1. Concur with Governor's allowance.

**Appendix 1  
Object/Fund Difference Report  
Maryland School for the Deaf**

<u>Object/Fund</u>	<u>FY 25 Actual</u>	<u>FY 26 Wrk Approp</u>	<u>FY 27 Allowance</u>	<u>FY 26-27 \$ Change</u>	<u>% Change</u>
<b>Positions</b>					
01 Regular	362.50	372.50	372.50	0.00	0.0%
02 Contractual	77.30	29.00	29.00	0.00	0.0%
<b>Total Positions</b>	<b>439.80</b>	<b>401.50</b>	<b>401.50</b>	<b>0.00</b>	<b>0.0%</b>
<b>Objects</b>					
01 Salaries, Wages, and Fringe Benefits	\$42,096,554	\$45,928,616	\$48,107,982	\$2,179,366	4.7%
02 Technical and Special Fees	5,901,238	2,310,139	2,259,398	-50,741	-2.2%
03 Communications	114,734	141,310	141,310	0	0.0%
04 Travel	67,365	42,319	42,319	0	0.0%
06 Fuel and Utilities	969,099	1,004,020	1,004,020	0	0.0%
07 Motor Vehicle Operation and Maintenance	79,806	176,107	211,295	35,188	20.0%
08 Contractual Services	5,136,294	2,422,440	2,454,394	31,954	1.3%
09 Supplies and Materials	1,094,203	1,770,625	1,770,625	0	0.0%
10 Equipment – Replacement	215,204	1,455,882	1,455,882	0	0.0%
13 Fixed Charges	334,512	361,991	347,075	-14,916	-4.1%
<b>Total Objects</b>	<b>\$56,009,009</b>	<b>\$55,613,449</b>	<b>\$57,794,300</b>	<b>\$2,180,851</b>	<b>3.9%</b>
<b>Funds</b>					
01 General Funds	\$49,253,315	\$47,786,371	\$49,758,404	\$1,972,033	4.1%
03 Special Funds	530,248	601,768	589,392	-12,376	-2.1%
05 Federal Funds	907,216	855,728	866,190	10,462	1.2%
09 Reimbursable Funds	5,318,230	6,369,582	6,580,314	210,732	3.3%
<b>Total Funds</b>	<b>\$56,009,009</b>	<b>\$55,613,449</b>	<b>\$57,794,300</b>	<b>\$2,180,851</b>	<b>3.9%</b>

Note: The fiscal 2026 appropriation includes proposed deficiency appropriations. The fiscal 2027 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.