

R00A03
Funding for Educational Organizations
Maryland State Department of Education

Operating Budget Data

(\$ in Thousands)

	FY 06	FY 07	FY 08	FY 07-08	% Change
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>	<u>Prior Year</u>
General Fund	\$20,472	\$23,552	\$25,005	\$1,452	6.2%
Special Fund	<u>2,816</u>	<u>3,910</u>	<u>3,910</u>	<u>0</u>	
Total Funds	\$23,288	\$27,462	\$28,915	\$1,452	5.3%

- Funding for educational organizations in the fiscal 2008 budget allowance is unchanged from the fiscal 2007 working appropriation, with the exception of funding for the Maryland School for the Blind. The school receives a \$1.5 million, or 8.8% increase in formula funding in fiscal 2008.
- Blind Industries and Services of Maryland, State-aided educational institutions, and the Nonpublic School Textbook program are funded at their fiscal 2007 levels.

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

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Analysis of the FY 2008 Maryland Executive Budget, 2007

Analysis in Brief

Recommended Actions

	<u>Funds</u>
1. Reduce funding for State-aided educational institutions.	\$ 648,900
2. Reduce funding for the Nonpublic School Textbook program.	391,000
3. Adopt committee narrative requesting that Maryland School for the Blind and Blind Industries and Services of Maryland report performance measures.	
Total Reductions	\$ 1,039,900

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Operating Budget Analysis

Program Description

The Maryland State Department of Education (MSDE) provides funding to nonprofit organizations that offer a broad range of educational programs. Fiscal 1999 budget bill language requires the Governor to separately account for State assistance to the Maryland School for the Blind (MSB) and Blind Industries and Services of Maryland (BISM). Other institutions are designated as “State-aided Educational Institutions” (SAIs). The following educational services are provided by the funded organizations:

MSB educates pre-kindergarten through grade 12 children who are blind, severely visually impaired, or visually impaired/multi-disabled.

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

SAI Programs:

- ***Alice Ferguson Foundation*** operates an environmental education center on the Potomac River, offering field trips and a summer science camp on a working farm;
- ***Alliance of Southern Prince George’s Communities, Inc.*** partners with community organizations to provide Scholastic Aptitude Test courses, tutoring for students, and parent workshops;
- ***American Visionary Art Museum*** provides museum tours and library visits to students and teachers, along with Internet programs about self-taught artists;
- ***Baltimore Museum of Industry*** provides hands-on exhibits enabling students to apply mathematics, science, and technology to work and industry, as well as a training center for technology education teachers;
- ***Baltimore Symphony Orchestra/Arts Excel*** enhances teaching of the arts through mid-week concerts for students and teachers;
- ***B & O Railroad Museum, Inc.*** offers a program focusing on history, social studies, and sciences as related to railroad technology;
- ***Best Buddies*** pairs special and general education students in middle and high schools in order to foster inclusion and build socialization skills;

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- ***Charles Village Foundation*** provides activities promoting reading and writing skills to neighborhood elementary school children and family members through the Village Learning Place, Inc.;
- ***Chesapeake Bay Foundation*** provides an environmental education program encompassing student field experiences at 16 centers and summer in-service courses for teachers;
- ***Chesapeake Bay Maritime Museum*** offers experiential learning programs about the Chesapeake Bay, including a field trip program for third grade students;
- ***Citizenship Law-related Education Program*** gives students real-world experiences related to the legal system to promote productive citizenship;
- ***College Bound*** provides college advisors in Baltimore City public high schools to encourage and assist students in continuing their education beyond high school;
- ***Dyslexia Tutoring Program, Inc.*** offers screening and tutoring services for dyslexic youth and adults who have average or higher basic intelligence and cannot afford private help;
- ***Echo Hill Outdoor School*** provides instruction in science, ecology, history, and the human environment through student field experiences;
- ***Imagination Stage*** produces professional theatre productions for children as part of a theatre arts center for young people;
- ***Jewish Museum of Maryland*** supports on-site and outreach programs focusing on the history, tradition, and culture of Jewish life in Maryland;
- ***Junior Achievement of Central Maryland, Inc.*** provides a one-day Exchange City program that simulates owning and operating business enterprises;
- ***Living Classrooms Foundation*** provides outdoor hands-on experience to at-risk children in mathematics, science, and social studies and runs job-training programs;
- ***Maryland Academy of Sciences – Maryland Science Center*** cultivates interest in science through programs for visiting school groups, traveling science programs, and instructional materials for use by teachers;
- ***Maryland Historical Society*** enriches students' understanding of social studies through on-site and outreach programs;

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- ***Maryland Leadership Workshops, Inc.*** teaches middle and high school students effective leadership skills in a residential summer program setting;
- ***Maryland Mathematics, Engineering, and Science Achievement Program*** partners with community organizations in providing programs aimed at improving Maryland students' preparation for the study of mathematics related fields in college;
- ***Maryland Zoo in Baltimore*** provides a conservation education experience at the zoo or through a mobile outreach program;
- ***National Aquarium in Baltimore*** supports environmental and science education through on-site programs about aquatic environments;
- ***National Great Blacks in Wax Museum*** provides exhibit tours and other museum related activities for students;
- ***National Museum of Ceramic Art & Glass*** offers an in-school and after-school ceramic art program for middle school students, relating art to other subjects in the curriculum;
- ***Olney Theatre Center*** supports the language arts high school curriculum through professional performances, interactive workshops, and teacher development;
- ***Outward Bound*** provides high school students a challenging educational experience in an outdoor setting, designed to develop self-esteem, community service involvement, and concern for the environment;
- ***Port Discovery Children's Museum*** provides hands-on activities for pre-kindergarten through Grade 6 student visitors, as well as lesson plans for teachers;
- ***Salisbury Zoological Park*** provides programs that enhance the science curriculum and furnishes support material and in-service training for teachers;
- ***Sotterley Foundation*** provides a history enrichment program focusing on the people and culture surrounding the Tidewater Tobacco Plantation;
- ***South Baltimore Learning Center*** supports improving adult literacy to individuals in the South Baltimore area through one-on-one tutoring, General Education Diploma classes, and career counseling;
- ***State Mentoring Resource Center*** connects volunteer adult mentors with disadvantaged school children;

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- ***Sultana Projects, Inc.*** provides educational programs to increase student understanding of history and awareness of the natural environment of the Chesapeake Bay and its watershed;
- ***SuperKids Camp*** provides an intensive summer reading and enrichment program for third and fourth grade students in Baltimore City;
- ***Walters Art Museum*** offers educational programs through tours, studio experiences, outreach, and teacher development; and
- ***Ward Museum of Wildfowl Art*** provides environmental education programs focusing on art, history, and science through tours and hands-on activities adaptable to a school setting.

The Funding for Educational Organizations budget also includes the Nonpublic School Textbook program, which provides grants to eligible schools for textbook and computer supplies.

Governor's Proposed Budget

Exhibit 1 shows the change in the fiscal 2008 allowance from the fiscal 2007 working appropriation. The only budgetary change is a \$1.5 million increase in formula funding for the Maryland School for the Blind. Mandated by the Bridge to Excellence in Public Schools Act (Chapter 288 of 2002), the 8.8% increase is based on student enrollment and the per pupil foundation amount. Although enrollment is not projected to grow, the per pupil foundation amount increases to \$6,694 in fiscal 2008, resulting in the funding increase.

Exhibit 1
Governor's 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>
2007 Working Appropriation	\$23,552	\$3,910	\$27,462
2008 Governor's Allowance	<u>25,005</u>	<u>3,910</u>	<u>28,915</u>
Amount Change	\$1,452	\$0	\$1,452
Percent Change	6.2%		5.3%

Where It Goes:

Other Changes

Maryland School for the Blind – mandated funding formula	\$1,452
Total	\$1,452

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

Programs with No Change in Funding in Fiscal 2008

The allowance provides \$633,000 in funding for BISM in fiscal 2008, which continues the fiscal 2007 funding level. BISM provides employment, training, and rehabilitation services to blind adults, employing blind adults at its three locations. Services provided by BISM include pre-vocational rehabilitation services, senior services, and home teaching. Summer camp and other programs also are offered for students.

In fiscal 2008, SAIs receive \$6.5 million in funding. After a \$2.0 million, or 44.6% increase in funding in fiscal 2007, SAIs are level-funded in fiscal 2008. Thirty-seven organizations are funded, including three that were added in fiscal 2007: the Chesapeake Bay Maritime Museum; Junior Achievement of Central Maryland, Inc.; and the National Great Blacks in Wax Museum. As **Exhibit 2** shows, the allowance includes a wide range of grants, from more than \$1.0 million for the Maryland Science Center and the Maryland Zoo in Baltimore to \$15,000 to \$25,000 grants for several organizations. Fourteen of the 37 SAIs receive \$5.4 million of the total fiscal 2008 funding, with 23 organizations dividing the remaining \$1.1 million.

Exhibit 2
State-aided Educational Institution Funding
Fiscal 2006-2008

<u>State-aided Educational Institution</u>	<u>2006 Actual</u>	<u>2007 Working Appropriation and 2008 Allowance</u>
Alice Ferguson Foundation	\$90,000	\$100,000
Alliance of Southern Prince George's Communities	40,000	40,000
American Visionary Art Museum	18,000	18,000
Baltimore Museum of Industry	81,000	101,000
Baltimore Symphony Orchestra	45,000	80,000
B & O Railroad Museum	25,000	75,000
Best Buddies	200,000	200,000
Chesapeake Bay Foundation	325,000	525,000
Chesapeake Bay Maritime Museum	0	25,000
Citizen Law-Related Education	36,000	36,000
College Bound Foundation	45,000	45,000
Dyslexic Tutoring Program	45,000	45,000
Echo Hill Outdoor School	67,000	67,000
Imagination Stage	150,000	300,000
The Jewish Museum of Maryland	10,000	15,000
Junior Achievement of Central Maryland	0	50,000
Living Classrooms Foundation	283,000	383,000
Maryland Academy of Sciences – Maryland Science Center	547,000	1,100,000
Maryland Historical Society	68,000	150,000
Maryland Leadership Workshops	54,000	54,000
Maryland Mathematics, Engineering and Science Achievement	75,000	95,000
Maryland Zoo in Baltimore	1,023,000	1,023,000
National Aquarium in Baltimore	97,000	597,000
National Great Blacks in Wax Museum	0	50,000
National Museum of Ceramic Art & Glass	22,000	25,000
Olney Theater	125,000	175,000
Outward Bound	160,000	160,000
Port Discovery Children's Museum	90,000	140,000
Salisbury Zoological Park	22,000	22,000
Sotterley Foundation	10,000	15,000
South Baltimore Learning Center	40,000	50,000
State Mentoring Resource Center	95,000	95,000
SuperKids Camp	492,000	492,000
Sultana Projects	20,000	25,000
Village Learning Place	54,432	54,432
Walters Art Museum	10,000	20,000
Ward Museum	22,000	42,000
Total	\$4,486,432	\$6,489,432

Source: Governor's Budget Books, Fiscal 2008

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The allowance provides \$3.9 million in funding for the Nonpublic School Textbook program, which received a \$1.0 million increase in fiscal 2007. Funding is provided from the Cigarette Restitution Fund. In fiscal 2005, the program was expanded to include the purchase of computer hardware, software, and electronically delivered learning materials, as well as textbooks. Annual budget bill language since the program began in fiscal 2001 caps the distribution of funds to schools at \$60 per student, or \$90 per student at “eligible” schools with at least 20% of their enrollment in the free or reduced price meal program. Funds are distributed first to the “eligible” schools receiving \$90 per student, with remaining funds prorated among other schools. In fiscal 2007, program approval letters for \$3.9 million in funding have been distributed to 333 schools, with 72 schools receiving \$90 per student and 261 schools receiving \$35.90 per student (increased from \$21.48 per student in fiscal 2006). In fiscal 2006, MSDE reverted \$94,000 of \$2.9 million in funding because schools that were allocated program funding did not use their funds.

Recommended Actions

- | | <u>Amount
Reduction</u> | |
|--|------------------------------------|----|
| 1. Reduce funding for State-aided educational institutions (SAIs) by 10%. A total of \$5,840,532 remains in funding for SAIs, preserving \$1.4 million of the fiscal 2007 funding increase. | \$ 648,900 | GF |
| 2. Reduce funding for the Nonpublic School Textbook program. The reduction still leaves \$3.5 million in funding for the program. In fiscal 2006, when the program received \$2.9 million in funding, 119 schools did not spend the funds that were allocated to them, and \$94,000 reverted to the general fund. It is unlikely that the \$3.9 million provided in the allowance will be spent by eligible schools. | 391,000 | SF |
| 3. Adopt the following narrative: | | |

Managing for Results Reports: In order to better assess the performance of Maryland School for the Blind (MSB) and Blind Industries and Services of Maryland (BISM), the committees request that MSB and BISM include performance measures and data in the Governor's 2009 budget. Actual data shall be included for fiscal 2006 and 2007, and projections shall be provided for fiscal 2008 and 2009.

Information Request	Authors	Due Date
Performance Measures	MSB and BISM	With the submission of the fiscal 2009 budget

Total Reductions	\$ 1,039,900
Total General Fund Reductions	\$ 648,900
Total Special Fund Reductions	\$ 391,000

Current and Prior Year Budgets

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

Fiscal 2006	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Legislative Appropriation	\$20,164	\$2,910	\$0	\$0	\$23,074
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	308	0	0	0	308
Reversions and Cancellations	0	-94	0	0	-94
Actual Expenditures	\$20,472	\$2,816	\$0	\$0	\$23,288
Fiscal 2007					
Legislative Appropriation	\$23,552	\$3,910	\$0	\$0	\$27,462
Budget Amendments	0	0	0	0	0
Working Appropriation	\$23,552	\$3,910	\$0	\$0	\$27,462

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

Fiscal 2006

The general fund appropriation increased by \$308,000 due to an adjustment in funding for the Maryland School for the Blind. The enrollment count used in the formula for calculating the school's State aid did not include all eligible students, requiring an upward revision in the fiscal 2006 legislative appropriation.

Special funds were reduced by \$94,000 in the Nonpublic School Textbook Program. MSDE cancelled these funds because schools that were allocated funding did not use all of their funds.

Fiscal 2007

No changes have been made to the fiscal 2007 legislative appropriation at this time.

Fiscal Summary
MSDE Funding for Educational Organizations

<u>Program/Unit</u>	<u>FY06 Actual</u>	<u>FY07 Wrk Approp</u>	<u>FY08 Allowance</u>	<u>Change</u>	<u>FY07 - FY08 % Change</u>
01 Maryland School for the Blind	\$ 15,427,759	\$ 16,430,057	\$ 17,882,219	\$ 1,452,162	8.8%
02 Blind Industries and Services of Maryland	557,999	632,999	632,999	0	0%
03 Other Institutions	4,486,432	6,489,432	6,489,432	0	0%
04 Aid to Non-Public Schools	2,816,092	3,910,000	3,910,000	0	0%
Total Expenditures	\$ 23,288,282	\$ 27,462,488	\$ 28,914,650	\$ 1,452,162	5.3%
General Fund	\$ 20,472,190	\$ 23,552,488	\$ 25,004,650	\$ 1,452,162	6.2%
Special Fund	2,816,092	3,910,000	3,910,000	0	0%
Total Appropriations	\$ 23,288,282	\$ 27,462,488	\$ 28,914,650	\$ 1,452,162	5.3%

Note: The fiscal 2007 appropriation does not include deficiencies, and the fiscal 2008 allowance does not reflect contingent reductions.