



# Selected Financial Data Maryland Public Schools 2001 – 2002

## Part 1 – Revenue, Wealth, and Effort

Maryland State Department of Education  
Division of Business Services  
200 West Baltimore Street  
Baltimore, MD 21201-2595  
(410) 767-0271

MSDE-DBS 11 / 03

# MARYLAND STATE BOARD OF EDUCATION

**Edward L. Root**  
*President*

**Jo Ann T. Bell**  
*Vice President*

**Philip S. Benzil**  
**Dunbar Brooks**  
**Calvin D. Disney**  
**Rev. Clarence Hawkins**  
**Walter S. Levin**  
**Karabelle Pizzigati**  
**Maria C. Torres-Queral**  
**John L. Wisthoff**  
**Christopher J. Caniglia** (*Student Member*)

**Nancy S. Grasmick**  
*Secretary-Treasurer of the Board*  
*State Superintendent of Schools*

**A. Skipp Sanders**  
*Deputy State Superintendent for Administration*

**Richard J. Steinke**  
*Deputy State Superintendent for School Improvement*

**Ronald A. Peiffer**  
*Deputy State Superintendent for Academic Policy*

**Mary Clapsaddle**  
*Assistant State Superintendent for Business Services*

The Maryland State Department of Education does not discriminate on the basis of race, color, sex, age, national origin, religion, or disability in matters affecting employment or in providing access to programs. For inquiries related to departmental policy, please contact the Equity Assurance and Compliance Branch, Maryland State Department of Education, 200 West Baltimore Street, Baltimore, MD 21201-2595, (410) 767-0433 – Voice, (410) 333-3045 – TTY/TDD, or (410) 767-0431 – Fax.

**For information or questions about the *content* of this publication, call (410) 767-0271.**

**Selected Financial Data  
Maryland Public Schools  
2001-2002  
Part 1 - Revenue, Wealth, & Effort**

## INTRODUCTION

Selected Financial Data is an annual four-part publication of the Maryland State Department of Education. Part 1 includes information about the sources of funding for the local education agencies (LEAs) of Maryland. Part 2 contains expenditure information, reported by expenditure object within state expenditure category. Part 3 provides per pupil cost information about the expenditure categories of the LEAs, and Part 4 is a ten-year summary of selected information from Parts 1-3.

## OVERVIEW

Maryland LEAs are required to annually budget and account for expenditures in accordance with the budget categories identified in Section 5-101 of the *Education Article of the Annotated Code of Maryland*. The *Financial Reporting Manual for Maryland Public Schools* provides interpretation of this law and delineates a structure for reporting expenditures. This structure includes fund accounting concepts in which resources are segregated for the purpose of carrying on specific activities or meeting specific objectives. The fund-types reported by the LEAs are the Current Expense Fund, School Construction Fund, Debt Service Fund, Food Service Fund, Student Activities Fund, and Trust and Agency Fund. Revenue for the Trust and Agency Funds and the Student Activity Fund are not included in the tables that follow.

## HIGHLIGHTS

- Revenue for Maryland public elementary and secondary education now exceeds \$8.4 Billion per year. Only a decade ago, total revenue was just over \$4.5 Billion.
- The percentage of revenue from state sources is 37%, the same as the previous year.
- State current expense aid and compensatory education aid, representing about 63.7% of the total state aid, is distributed by formula inversely proportional to local district wealth.

## DEFINITIONS

**Current Expense Fund** - the fund used to account for the basic and routine operations of the LEA, comprised of the general fund and those special revenue funds available for general fund purposes. Expenditures in this fund are reported by expenditure category and object.

**Debt Service Fund** - the fund used to account for the systematic repayment of interest and principal on long-term general obligation debt and state loans. Although Maryland LEAs do not have the authority to issue bonds, they are required to report the share of county long-term debt acquired for LEA purposes.

**Food Service Fund** - the fund for reporting the operations of food service programs for children and adults, including operation of kitchen equipment, preparation of food, cleaning and storage of equipment, and food delivery.

**Local Education Agency (LEA)** - the entity created to provide educational services for constituents

**Nonrevenue** - funds that represent exchanges of property for cash or resources that incur future obligations. Examples are sale of equipment, net insurance recovery, sale of bonds, loans, and transfers of funds between or within LEAs .

**School Construction Fund** - the fund for recording all transactions relating to major school construction or remodeling projects.

**Student Activities Fund** - a fund used to account for the operations of student activities that are owned, operated, and managed by the student body under the guidance and/or direction of staff members or other adults.

**Selected Financial Data  
Maryland Public Schools  
2001-2002**

**Part 1 - Revenue, Wealth, and Effort**

**Table of Contents**

		<b>Page</b>
<b>Introduction</b>	.....	i
 <b>Tables</b>		
1	Revenue From All Sources.....	1
2	Revenue From All Sources for Current Expenses (Includes Teachers' Retirement Paid by State).....	2
3	Revenue From All Sources for Current Expenses (Excludes Teachers' Retirement Paid by State).....	3
4	Revenue From All Sources for School Construction.....	4
5	Revenue From All Sources for Debt Services.....	5
6	Revenue From All Sources for Food Service Operations.....	6
7	Revenue From All Sources from the State of Maryland.....	7
8	Revenue From All Sources from the Federal Government.....	13
9	Basic Current Expense Formula Aid.....	18
10	State Compensatory Education Aid.....	19
11	Assessed Valuation per Pupil Belonging and Per Capita.....	20
12	Local Appropriations for Public Schools as a Percent of Assessed Valuation, Net Taxable Income and Total Wealth.....	21
13	Local Appropriations as a Percent of Total Local Revenue.....	23