



Nancy S. Grasmick  
State Superintendent of Schools

200 West Baltimore Street • Baltimore, MD 21201 • 410-767-0100 • 410-333-6442 TTY/TDD

TO: Members of the State Board of Education  
FROM: Nancy S. Grasmick *Nancy*  
DATE: September 21, 2009  
SUBJECT: Fiscal Year 2011 Budget Enhancement Proposal Requests

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**PURPOSE:**

To review and approve the Maryland State Department of Education's Fiscal Year (FY) 2011 budget estimates and budget enhancement requests for Headquarters, Aid to Education, Finding for Educational Organizations, and the Children's Cabinet Interagency Fund (CCIF). Approval will authorize the State Superintendent of Schools to submit these budget requests to the Department of Budget and Management (DBM).

Additionally, to approve the FY 2011 budget request for State Aided Institutions in accordance with Education Article Sections 5-504 and 5-505, and to review other budget related information.

**BACKGROUND/HISTORICAL PERSPECTIVE:**

The Board is being requested to approve the FY2011 base budget and Deficiency and Over-the-Target enhancement requests. The FY 2010 General Fund changes (shown in Section A of the attachment) are for information and context purposes only.

This item is being presented in accordance with Maryland State Department of Education Policy 02.100.02, and Education Article Sections 5-504 and 5-505.

**SUMMARY:**

The FY 2011 estimates reflect a combination of the General Fund budget targets established in cooperation with DBM for State sources, and this Department's best estimate for funding expected from non-State sources.

Aid to Education funding reflects a request for 100% funding of the Geographic Cost of Education Index. Estimates for Aid to Education formula programs shown on the attached documents are very preliminary and are based on estimated data. These will be adjusted



throughout the remainder of the year as the variables used by the representative formulas are updated.

In the Funding for Educational Organizations budget, the Maryland School for the Blind funding is estimated at the statutory formula level. Other funding has been subject to across the board reductions. Consistent with the State Board's action and position in prior years, no funding is being requested for the Nonpublic School Textbooks program.

The State Board was briefed at the July meeting on Budget enhancement requests. The enhancement requests that were considered the highest priority for FY 2011 have been updated to reflect the most recent instructions from DBM regarding estimated fringe benefits. While MSDE will notify DBM of all priority requests, the official request is limited to no more than two items, in accordance with DBM instructions. The requests shown reflect the multi-step process ensuring reviews at both the division level and departmentally.

Note, as was done last year, the FY 2011 Headquarters budget target provided by DBM did not include the baseline adjustment for the State's Assessment program. We expect that DBM will fund this program when they establish the budget Allowance. DBM is also allowing MSDE to submit over-the-target estimates for a Child Care Subsidy program and the Juvenile Services Education program.

**ACTION:**

The State Board is requested to approve for submission to DBM the following items:

- The FY 2011 base budget estimates, including confirmation on whether to request funding for the Nonpublic School Textbooks Program;
- The FY 2011 prioritized Over-the-Target Requests;
- The FY 2010 Deficiency Requests; and
- The FY 2011 Requests for State Aided Educational Institutions