

R00A02

Aid to Education

Maryland State Department of Education

Response to the Analyst's Review and Recommendations

Senate Education, Business, and Administration Subcommittee –
February 27, 2020

House Education and Economic Development Subcommittee –
March 2, 2020



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State Superintendent of Schools

The Maryland State Department of Education (MSDE) welcomes this opportunity to share with the Committee some of its success stories and to address questions raised by the analyst.

Proposed Budget Change

Changes in State Aid to LEA's

MSDE should comment on the timeline for receiving TIF data from SDAT so that TIF grants can be calculated and included in the fiscal 2021 budget for eligible school systems.

In accordance with statutory formulae, the Maryland State Department of Education collects relevant data from multiple sources. For the Tax Incentive Financing (TIF) adjustment, the data is provided by the State Department of Assessment and Taxation (SDAT). While the Education Article identifies the specific timing for which the data applies, it does not specify a required release date. MSDE was advised by SDAT that the TIF information does not become available until that Agency prepares the Constant Yield Tax Rate, which is typically in February. Therefore, the data is not available in time to be included in the budget as submitted to the General Assembly.

The TIF Data has now been provided to DLS.

ISSUES

1. Blueprint for Maryland's Future Funding Priorities

DLS recommends that \$6.2 million in COP funding that was not awarded as grants be reduced in the Budget Reconciliation and Financing Act of 2020 and reverted to the Blueprint Fund for future allocation.

MSDE concurs in part with this recommendation. The Department agrees that funding of \$5,971,992 is available in this program as part of the Education Trust Fund. This balance represents \$3,234,829 reflecting non-school sites that were in the original budget developed for the program, and an additional \$2,737,163 representing closed schools in Baltimore City.

At this time, the Department is not aware of any issues with the 45 Concentration of Poverty Schools in Prince George's County and respectfully disagrees with the proposed reduction of \$248,833 for that school system. MSDE believes that the program is operational in all 45 eligible schools. The Department notes that Cherokee Lane Elementary School was not included in the survey response, however, we have been advised that this school has a Coordinator in place and they are underway with their implementation plan.

2. AP Tests for Low Income Students

Due to the fact that it is unknown how many LEAs use State or local funds to cover AP exam fees for low-income students, DLS recommends deleting the funding for this new program in fiscal 2021, instead encouraging MSDE to perform outreach to local jurisdictions regarding the potential for utilizing available Title IV-A federal funds for this purpose.

MSDE respectfully disagrees with this recommendation. The Maryland State Board of Education recently adopted new regulations that establish educational equity as a matter of policy and priority in Maryland. The regulations guarantee that each Maryland public school will provide every student equitable access to educational rigor. This new State program is designed to increase access to rigor and educational equity in the State by increasing the number of students with financial need who participate in Advanced Placement (AP) programs. While Maryland's high school students perform better than the national average on AP exams, there is room for growth in providing access to AP exams for our neediest students. One of the barriers that remains is the cost of the AP exam. This program will go a long way towards removing that barrier.

Per the federal Every Student Succeeds Act, Title IV A funds are to be used to provide all students with access to a well-rounded education; improve school conditions for student learning; and improve the use of technology to improve the academic achievement and digital literacy of all students. It is important to note that LEAs must reserve 20% of Title IVA funds to support well-rounded educational opportunities, 20% for safe and healthy initiatives, and a portion for activities that support the effective use of technology. Currently, 15 LEAs use a portion of their federal Title IV-A funds to cover the cost of AP exam fees for economically disadvantaged students.

Unpredictability of P-TECH Funding Does Not Warrant Funding Increase

DLS recommends restricting the fiscal 2021 P-TECH fund increase contingent on a report that updates information on this program.

MSDE respectfully disagrees with the recommendation. In January 2016, Governor Hogan announced the launch of Pathways in Technology Early College High School (P-TECH) in Maryland. The P-TECH Act of 2017 expanded the program. There are currently 819 students enrolled in P-TECH programs in Allegany County, Montgomery County, Prince George's County, Baltimore County, and Baltimore City Public School Systems. New P-TECH programs are on-track to begin in the 2020-2021 school year in Harford and Baltimore Counties.

Previously, enrollment predictions were difficult without multiple years of P-TECH program data. MSDE currently has three years of P-TECH data, and can conduct trend analysis. MSDE is working with school systems and community colleges to more accurately predict students who will enroll in college courses for the upcoming school year. However, the impact of attrition will remain difficult to predict.

A report of the actual enrollment and expenditures for FY2019, as well as the working data for FY2020 and FY2021 is included as Appendix I.

Operating Budget Recommended Actions

1. Add the following language:

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer funds from program R00A02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days to review and comment on the planned transfer prior to its effect.

Explanation: The Maryland State Department of Education (MSDE) should not transfer any funds from Aid to Education until the transfer is reviewed by the budget committees.

Information Request	Authors	Due Date
Report on any transfer of funds from R00A02	MSDE	45 days prior to transfer

MSDE concurs.

2. Delete general funds for the Advanced Placement Opportunities Act of 2020. Federal and local dollars can already be expended for this purpose.

Amount of Reduction: \$1,056,500 GF

MSDE respectfully disagrees for the reasons noted above.

3. Add the following language:

, provided that \$262,000 of this appropriation may not be expended until the Maryland Department of Education submits a report to the budget committees on the status of the Pathways in Technology Early College High School Program. The report shall include enrollment in fiscal 2019, 2020, and an estimate for fiscal 2021 and expenditure data for each year. This report shall be submitted by July 1, 2020, and the budget committees will have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose, and shall revert to the General Fund if the report is not submitted to the budget committee.

Explanation: The Pathways in Technology Early College High School (P-TECH) Program enrolls students in grades 9 through 14 to complete a high school diploma and associate's degree, as well as earn work experience. However, the costs of this program are difficult to determine due to the increasing number of students entering the program in grade 9. The budget committees request a report on P-TECH that includes current enrollment for the 2019-2020 school year in the program, anticipated enrollment for the 2020-2021 school year in the program, and estimated costs for the program in fiscal 2022.

Information Request
Report on P-TECH
enrollment

Author
Maryland State
Department of
Education

Due Date
July 1, 2020

MSDE respectfully disagrees for the reasons noted above and in Appendix I.

Pathways in Technology Early College High School (P-Tech)

Local School System	Recipient	FY 2019		FY 2020		FY 2021	
		Enroll	Funding	Enroll	Funding	Enroll	Funding
Allegany County Public Schools	All 3 Allegany High Schools	47	32,250	57	42,750	82	61,500
	Allegany College		6,724		14,784		52,103
Baltimore City Public Schools	Carver High School	127	94,000	145	108,750	240	180,000
	Dunbar High School	155	114,780	194	145,500	200	150,000
	New Era High School	28	20,720	39	29,250	78	58,500
	Baltimore City Community College		129,048		614,596		485,548
Baltimore County Public Schools	Dundalk High School	65	45,000	117	87,750	179	134,250
	Owings Mills High School	-	-	-	100,000	60	45,000
	Community College of Baltimore County		-		12,526		114,360
Harford County Public Schools	Joppatowne High School	-	-	-	100,000	30	22,500
Montgomery County Public Schools	Clarksburg High School	54	46,500	117	87,750	181	135,750
	Montgomery College		-		13,718		27,436
Prince George's County Public Schools	Frederick Douglass High School	118	88,500	150	112,500	212	159,000
	Prince George's Community College		75,090		146,010		179,400
Total		594	652,612	819	1,615,884	1,262	1,805,347
Local School System Total		594	441,750	819	614,250	1,262	946,500
Community College Total			210,862	-	801,634	-	858,847
FY2020 Planning Grants Total					200,000		

Notes: Enrollment in FY2020 and FY2021 does not account for attrition.

FY2021 estimates assume all students are on the 4-year completion trajectory.