



Charter School Funding

State Superintendent Guidance

Office of the State Superintendent

May 29, 2025

MARYLAND STATE DEPARTMENT OF EDUCATION

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TO: Local Education Agency Superintendents

FROM: Carey M. Wright, Ed.D., State Superintendent of Schools

DATE: May 29, 2025

SUBJECT: State Superintendent Guidance Regarding Charter School Funding

This memorandum follows my May 1, 2025, memorandum on commensurate funding and offers additional guidance specific to the allocation of Blueprint funding to charter schools based on recent State Board of Education decisions. See MSBE [Op. Nos. 23-17](#) (2023) and [24-27](#) (2024). It is imperative that charter schools receive a proportionate share of these funds, consistent with the eligibility of their student populations.

Background

The Blueprint for Maryland's Future established specific funding streams intended to support educational programs across the state. These streams include foundation, compensatory education, English learner education, special education, concentration of poverty, and others set forth in Title 5, Subtitle 2 of the Education Article, Annotated Code of Maryland. The Blueprint also recognized the importance of ensuring per pupil funding reaches the students it is intended to help. Thus, the law requires local boards of education to distribute to each public school in their jurisdiction minimum school funding amounts for each program. Md. Code Ann., Educ. § 5-234. In Maryland, charter schools are public schools, and thus subject to the same requirement.

The State Board of Education has clarified that minimum school funding under Educ. § 5-234 and commensurate funding under Educ. § 9-109 are distinct requirements that must be met independently. Minimum school funding only considers Blueprint funding, while commensurate funding considers funding from all sources. Md. Code Ann., Educ. § 9-109. This guidance pertains only to Blueprint funding as a portion of overall commensurate funding.

Allocation of Blueprint Funding to Charter Schools

Under Educ. § 5-234, a minimum of 75% of the per pupil amount for specified Blueprint funding streams must flow to schools based on their student population (e.g., English learner education, special education)¹. Local school systems calculate per pupil amounts for each of these funding streams based on enrollment, then determine how much will flow to individual schools.

For traditional schools, the school system may withhold up to 25% of specified Blueprint funding streams for centrally administered services. For charter schools, however, the State Board has opined

¹ For some Blueprint funding streams, such as concentration of poverty, the minimum school funding amount is 100% of the per pupil amount.

that the school system must negotiate transparently and in good faith about the percentage being withheld centrally, so that charter schools may choose to accept in-kind services or receive their proportionate share of those funds and decide on what services, if any, they would like to buy back from the school system. Depending on the services negotiated and the student profile of each school, charter schools could receive more than 75% of each Blueprint funding stream for which they are eligible. The per pupil amount that is received by traditional and charter schools may also differ for the same reasons.

It is not consistent with State Board precedent for a school system to unilaterally withhold up to 25% of specified Blueprint funding streams from charter schools. Nor is it consistent with the Blueprint for charter schools to receive funding streams that are restricted to certain student populations (e.g., English learner education, special education) if they do not serve those populations. Ultimately, charter schools must receive their proportionate share of any Blueprint funding streams for which they are eligible, which includes both a minimum school funding amount consistent with Educ. § 5-234 and any additional amount of the applicable funding stream that is necessary to ensure commensurate funding under Educ. § 9-109. The State Board explained in *City Neighbors* that “commensurate” funding means that a charter school receives federal, State, and local funding in an amount “proportionate” to the amount of funds expended for other public schools in the same system. See Revised MSBE [Op. No. 05-17](#). A proportionate share of Blueprint funding means the full allocation of the applicable per pupil amount for the students that attend the charter school, minus the longstanding 2% administrative fee. Charter schools may then choose to buy back services from the school system. Any additional withholding of Blueprint funds must be negotiated and agreed upon by the charter schools to maintain their day-to-day operations.²

Conclusion

It is essential that local boards ensure charter schools receive their proportionate share of Blueprint funds, recognizing the student profile of each school and the Blueprint funding streams for which it is eligible. Transparency in the allocation process and good faith negotiations with charter schools regarding what, if any, services will be provided by the school system are critical to achieving these objectives. Please ensure that your funding allocations for charter schools are consistent with these guidelines.

² The State Board, through its decisions, has also recognized that some revenues may be deducted from the total school system operating budget to account for costs that are not funded on a per-pupil basis at the school level. For example, in *City Neighbors*, the State Board expressly included debt service and adult education. Most recently, the State Board added special education overages because those revenues are not disbursed to any schools. Further deductions from the total school system operating budget must be negotiated in good faith between the school system and the charter schools and still reflect a commensurate distribution of funds to all charter schools consistent with State Board decisions.