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TO: Members of the State Board of Education
FROM: Karen B. Salmon, Ph.D.
DATE: September 25, 2018
SUBJECT: Fiscal Year 2020 Budget Estimates and Requests

PURPOSE:

The purpose of this item is to review budget information for the Maryland State Department of Education (MSDE). The information includes Fiscal 2020 budget estimates, Fiscal 2020 enhancement requests, and the Fiscal 2020 request for State Aided Educational Institutions. The information covers the budgets for Headquarters, Aid to Education, Funding for Educational Organizations, the Children’s Cabinet Interagency Fund, the Maryland Longitudinal Data System Center, the Maryland Center for School Safety, and the Interagency Commission on School Construction.

Approval of this item will authorize the State Superintendent of Schools to submit the budget requests to the Department of Budget and Management (DBM).

BACKGROUND/HISTORICAL PERSPECTIVE:

Each fall, MSDE requests that the Board reviews and approves the budget request for the upcoming fiscal year prior to its submission to DBM. The budget request is the culmination of a multi-step process involving input and review at the division level and an overall departmental level.

At the August 2018 Board meeting, budget information was presented that provided background and context, including a 10-year historical review of budget data, an overview of the Fiscal 2019 budget, and proposed Fiscal 2020 budget enhancement requests. The information provided in August was intended to lay the groundwork for the Board’s consideration of the budget requests at the September 2018 meeting.

Note that the request for State-Aided Educational Institutions within the Funding for Educational Organizations budget is presented in accordance with Education Article Sections 5-504 and 5-505.

SUMMARY:

The Fiscal 2020 budget estimates for State fund sources reflect the General Fund targets established in cooperation with DBM. The estimates for non-State sources represent MSDE’s best estimate of the funds that will be available.

Estimates for the Aid to Education formula programs are very preliminary and are based on estimated data. The estimates will be adjusted throughout the remainder of the year as the variables used by the respective formulas are updated.

In the Funding for Educational Organizations budget, funding for the Maryland School for the Blind is estimated at the statutory formula level.

ACTION:

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

- the FY 2020 base budget estimates,
- the FY 2020 enhancement request,
- the FY 2020 request for State Aided Educational Institutions, which is included in the Funding for Educational Organizations budget, and
- the FY 2020 budget reduction options