



Karen B. Salmon, Ph.D.
State Superintendent of Schools

TO: Members of the State Board of Education

FROM: Karen B. Salmon, Ph.D.

DATE: April 28, 2020

SUBJECT: COMAR 13A.05.13
State-Aided Educational Institutions
ADOPTION

PURPOSE:

The purpose of this action is to request adoption of COMAR 13A.05.13 *State-Aided Educational Institutions*. This regulation outlines the process for non-profit organizations to qualify and apply as a State-Aided Educational Institution.

REGULATION PROMULGATION PROCESS:

Under Maryland law, a state agency, such as the State Board, may propose a new or amended regulation whenever the circumstances arise to do so. After the State Board votes to propose such a regulation, the proposed regulation is sent to the Administrative, Executive, and Legislative Review Committee (AELR) for a 15-day review period. If the AELR Committee does not hold up the proposed regulation for further review, it is published in the Maryland Register for a 30-day public comment period. At the end of the comment period, the Maryland State Department of Education (MSDE) staff reviews and summarizes the public comments. Thereafter, the MSDE staff will present a recommendation to the State Board of Education to either: (1) adopt the regulation in the form it was proposed; (2) revise the regulation and adopt it as final because the suggested revision is not a substantive change; or (3) revise the regulation and re-propose it because the suggested revision is a substantive change. At any time during the process, the AELR Committee may stop the promulgation process and hold a hearing. Thereafter, it may recommend to the Governor that the regulation not be adopted as a final regulation or the AELR Committee may release the regulation for final adoption.

BACKGROUND/HISTORICAL PERSPECTIVE:

COMAR 13A.05.13 *State-Aided Educational Institutions* requires non-profit organizations that are interested in qualifying as a State-Aided Educational Institution (SAI) to apply annually to the MSDE by providing information as outlined in the regulation. The program was established in 1998 in the Annotated Code of Maryland §5-501 *Qualifications for State-Aided Educational Institutions*. This regulation will add a new chapter to COMAR 13A Subtitle .05 *Special Instructional Programs*.

EXECUTIVE SUMMARY:

The proposed COMAR 13A.05.13 *State-Aided Educational Institutions* requires non-profit organizations interested in qualifying as an SAI to apply annually to the MSDE by providing information as outlined in the regulation. The State Board granted permission to publish this regulation at the September 24, 2019 State Board meeting. The regulation was published in the Maryland Register from December 20, 2019, through January 21, 2020. One comment was received from Dr. Maria Navarro, Chief Academic Officer, Montgomery County Public Schools, in support of the regulation. Additionally, Dr. Navarro requested clarification on the request that the educational program is not a new program and can show evidence of success. This regulation applies to a non-profit organization applying for funding to be an SAI. The statute requires evidence of the most recent independent annual audit or financial statements until the audit is available. Additional requirements include evidence of the provision of a direct service to Maryland school groups or to individuals with a disability which includes plans to support the goals of Maryland schools. These requirements call for demonstration of a track record of success. Therefore, the MSDE recommends no revisions to the regulation.

ACTION:

Request adoption of COMAR 13A.05.13 *State-Aided Educational Institutions*.

ATTACHMENT:

COMAR 13A.05.13 *State-Aided Educational Institutions*

Comments from Dr. Maria V. Navarro, Chief Academic Officer, Montgomery County Public Schools

Title 13A
STATE BOARD OF EDUCATION
Subtitle 05 SPECIAL INSTRUCTIONAL PROGRAMS
13A.05.13 State-Aided Educational Institutions
Authority: Education Article, §§5-501—5-506, Annotated Code of Maryland

Notice of Proposed Action

[19-263-P]

The Maryland State Board of Education proposes to adopt new Regulations **.01—.06** under a new chapter, **COMAR 13A.05.13 State-Aided Educational Institutions**. This action was considered by the State Board of Education at their September 24, 2019, meeting.

Statement of Purpose

The purpose of this action is to establish requirements pertaining to the State-Aided Educational Institutions program.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact. The funding of the State-Aided Educational Institutions program economically impacts local school systems, the nonprofit organizations funded through the program, and Maryland citizens. Each of the organizations receives funding from the Maryland State Department of Education. This funding provides field trip opportunities to students and teachers at a free or reduced price, thus reducing the financial burden on local school systems (LSS) and parents having to cover the full cost of the trip. Services are specifically targeted to Title I schools, thus providing the educational experience to support economically disadvantaged students and families. These funds can be used to provide services to students attending public, private/parochial, and home school, ensuring that a wide range are afforded the opportunity to participate in these unique educational experiences. Nonprofit organizations receiving funding are also impacted economically. The State support allows organizations to leverage funding from other entities such as businesses and foundations. The funding also frees up organizational resources that can be used for program enhancement, hiring staff, and/or capital projects. The additional revenue increases the number of students who can visit the organizations.

II. Types of Economic Impact.	Revenue (R+/R-)	
	Expenditure (E+/E-)	Magnitude
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A. On issuing agency:	(E+)	Varies
B. On other State agencies:	NONE	
C. On local governments:	(E-)	Varies

	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:	NONE	
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	(+)	Varies

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A. The Maryland State Department of Education (MSDE) is responsible for reviewing applications submitted by nonprofit organizations and making funding recommendations to the State Superintendent of Schools and the State Board of Education. Funding amounts requested and granted to each State-aided educational institution varies.

C. Each State-aided educational institution that receives funding from MSDE provides field trip opportunities to parents, students and teachers at a free or reduced price, thus reducing the financial burden on the local school system(s).

F. Some of the benefits of the funding received by State-aided educational institutions include free or reduced cost field trip opportunities for teachers, students, and parents.

Economic Impact on Small Businesses

The proposed action has a meaningful economic impact on small business. An analysis of this economic impact follows.

Some of the organizations that apply for and receive funding under the State-Aided Educational Institutions program are small businesses. The State support allows organizations to leverage funding from other entities such as businesses and foundations. The funding also frees up organizational resources that can be used for program enhancement, hiring staff, and/or capital projects. The additional revenue increases the number of students who can visit the organizations.

Impact on Individuals with Disabilities

The proposed action has an impact on individuals with disabilities as follows:

All State-aided educational institutions that receive funding through this program serve individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Michial A. Gill, Ph.D., Director of Grants Administration and State Aided Educational Institutions, Maryland State Department of Education, 200 West Baltimore Street, Baltimore, MD 21201, or call 410-767-3170 (TTY 410-333-6442), or email to michial.gill@maryland.gov, or fax to 410-333-0880. Comments will be accepted through January 21, 2020. A public hearing has not been scheduled.

Open Meeting

Final action on the proposal will be considered by the State Board of Education during a public meeting to be held on February 25, 2020, at 9 a.m., at 200 West Baltimore Street, Baltimore, MD 21201.

.01 Purpose.

The State-Aided Educational Institutions program is created to provide State funding and support to nonprofit organizations that provide unique, educational experiences to students and teachers that cannot be replicated in the classroom. These educational experiences are aligned with Maryland curricular and educational priorities.

.02 Definitions.

A. *In this chapter, the following terms have the meanings indicated.*

B. *Terms Defined.*

(1) *“Board” means the Maryland State Board of Education.*

(2) *“Department” means the Maryland State Department of Education.*

(3) *“Nonprofit organization” means an organization that:*

(a) *Is based in the State;*

(b) *Is incorporated or registered under the laws of the State;*

(c) *Is exempt from federal income tax under §501(c)(3), (4), or (6) of the Internal Revenue Code; and*

(d) *Is current in the payment of all tax obligations to the State or any unit or subdivision of the State.*

.03 Program Qualifications.

A. *To be considered for funding, an educational institution shall qualify as a State-aided educational institution.*

B. *To qualify as a State-aided educational institution, an educational institution shall submit to the Department the following documentation:*

(1) *Names of the members of an independent governing board for the institution;*

(2) *Proof of status as a nonprofit organization;*

(3) *A copy of the most recent independent annual audit or copies of the most recent internally generated financial statements until the annual audit is available;*

(4) *A detailed operating budget that:*

(a) *For an educational institution other than the Baltimore Zoo, indicates that less than 50 percent of the operating budget comes from State grants;*

(b) *Specifies all sources of income, including:*

(i) *Grants received;*

(ii) *Names of granting agencies; and*

(iii) *The amount of each grant; and*

(c) *Specifies all expenditures;*

(5) *Plans for the use of any grant funds that may be awarded by the State-Aided Educational Institutions grants program;*

(6) *Evidence of the provision of a direct service to Maryland school groups or to individuals with disabilities, including:*

(a) *Data on age levels of students to be served;*

(b) *Data on the projected number of students and teachers to be served both Statewide and by local*

jurisdiction; and

(c) *Plans of the institution to support the Maryland curricular and educational priorities;*

(7) *Evidence of liability insurance coverage; and*

(8) *Evidence that the educational program for which funding is sought is not a new program and can show a track record of success.*

.04 Funding.

An organization that seeks funding through the State-Aided Educational Institutions program in the fiscal year following the upcoming fiscal year shall submit to the Department:

A. *A fiscal impact statement describing:*

(1) *The program for which funding is sought;*

(2) *Amount of funds requested;*

- (3) *Populations to be served;*
- (4) *Educational goals and objectives; and*
- (5) *Anticipated outcomes;*

B. An augmentation request describing:

- (1) *Who will be served;*
- (2) *Objectives of the educational program; and*
- (3) *Anticipated outcomes; and*

C. An application for qualification as a State-aided educational institution containing supporting documentation as described in Regulation .03 of this chapter.

.05 Approval.

A. The Department shall review applications for qualification as a State-aided educational institution and shall submit a list of the qualified institutions to the State Superintendent of Schools.

B. The State Superintendent of Schools shall:

- (1) *Review and comment on the institutions on the list of qualified institutions and the extent to and manner in which each would forward the goals of the Maryland curricular and educational priorities; and*
- (2) *Present the list of qualified institutions and comments on each institution to the Board for review and comment by the Board at the August meeting.*

C. The Board shall submit to the Governor after the August meeting:

- (1) *The list of qualified institutions;*
- (2) *The State Superintendent of Schools' comments on each institution; and*
- (3) *The Board's comments, if any, on each institution.*

.06 Accountability Measures.

A. Each institution funded through the State-Aided Educational Institutions program shall submit the following annual reports:

- (1) *Midyear/Interim Progress Report;*
- (2) *Managing for Results (MFR) Report; and*
- (3) *Annual Progress Report.*

B. The Department will conduct an annual site visit for each nonprofit organization funded through the State-Aided Educational Institutions program.

KAREN B. SALMON, Ph.D.
State Superintendent of Schools



COMAR 13A.05.13 *State-Aided Educational Institutions*
Proposed New Chapter, Regulations .01-06



Comments from Dr. Maria V. Navarro, Chief Academic Officer
Office of the Chief Academic Officer
Montgomery County Public Schools
Rockville, Maryland

Maryland State Board of Education Statement of Purpose

The Maryland State Board of Education (MSDE) proposes to adopt new Regulations .01-.06 under a new chapter, COMAR BA.05.13 *State-Aided Educational Institutions*. The purpose of this action is to establish requirements pertaining to the State-Aided Educational Institutions Program.

Montgomery County Public Schools (MCPS) Comments

MCPS supports the offering of field trip opportunities at a free or reduced price to parents/guardians, students, and teachers at Title I schools, thus reducing the financial burden on the local school systems. Field trips offer many benefits to students.

- Field trips involve learning beyond classrooms and are likely to increase social emotional growth related to empathy and tolerance.
- Field trips are likely to increase performance on academic assessments because field trips often take abstract concepts and make them concrete for learners to access.
- Field trips expand learning opportunities for Title I students.
- Field trips are often multi-sensory and allow for students to develop deeper meaning to their new learning.

MCPS already benefits greatly from this state-aid to educational institutions, in particular with our ongoing relationship with Imagination Stage. Imagination Stage provides no cost performances for all Grade 4 Title I school students in MCPS. Along with the performances, Imagination Stage provides a *Theatre Arts Integration Guide* with pre- and post-performance activities with curriculum connections to the Grade 4 Title I school teachers, and offers a professional development (PDO) class open to all MCPS teachers entitled "Learning through Theatre Workshop Series." This PDO offers guidance for all MCPS teachers to connect literacy, math, science, social studies, critical thinking, and academic success skills through an arts-integrated approach.

MCPS would like clarification on the new program qualification requirements for this new chapter, (.03 (8) Program Qualifications), which reads, "Evidence that the educational program for which funding is sought is not a new program and can show a track record of success." We would prefer that the funding to these educational opportunities does not restrict their ability to offer new programs to schools.