

**R00A01**  
**Headquarters**  
Maryland State Department of Education

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 08</u> <u>Actual</u>	<u>FY 09</u> <u>Working</u>	<u>FY 10</u> <u>Allowance</u>	<u>FY 09-10</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$88,988	\$108,656	\$109,083	\$426	0.4%
Contingent & Back of Bill Reductions	0	0	-3,512	-3,512	
<b>Adjusted General Fund</b>	<b>\$88,988</b>	<b>\$108,656</b>	<b>\$105,571</b>	<b>-\$3,085</b>	<b>-2.8%</b>
Special Fund	6,348	8,151	8,587	437	5.4%
Contingent & Back of Bill Reductions	0	0	-8	-8	
<b>Adjusted Special Fund</b>	<b>\$6,348</b>	<b>\$8,151</b>	<b>\$8,579</b>	<b>\$428</b>	<b>5.3%</b>
Federal Fund	114,742	130,964	126,739	-4,226	-3.2%
Contingent & Back of Bill Reductions	0	0	-366	-366	
<b>Adjusted Federal Fund</b>	<b>\$114,742</b>	<b>\$130,964</b>	<b>\$126,373</b>	<b>-\$4,591</b>	<b>-3.5%</b>
Reimbursable Fund	1,618	865	890	25	2.9%
<b>Adjusted Reimbursable Fund</b>	<b>\$1,618</b>	<b>\$865</b>	<b>\$890</b>	<b>\$25</b>	<b>2.9%</b>
<b>Adjusted Grand Total</b>	<b>\$211,696</b>	<b>\$248,636</b>	<b>\$241,413</b>	<b>-\$7,223</b>	<b>-2.9%</b>

- A \$9.4 million deficiency is requested for the assessments program to cover the cost of accountability and assessment related contracts. The request includes \$8.5 million in general funds and \$0.9 million in federal funds which are carried over from the prior fiscal year.
- A special fund deficiency of \$0.8 million is provided to recognize revenues from the web-based Learning Initiative, the Special Inmate Welfare Fund, and the Blind Vendors Program. An additional \$0.7 million federal fund deficiency is requested to recognize funds carried over from the prior fiscal year.
- Before contingent reductions, the total allowance was \$3.3 million less than the fiscal 2009 working appropriation, with general funds increasing by \$0.4 million. After accounting for contingent and across-the-board reductions, the fiscal 2010 allowance is \$7.2 million less than the working appropriation. The general fund allowance is \$3.1 million less than the fiscal 2009 working appropriation.

Note: Numbers may not sum to total due to rounding.

For further information contact: Erin M. Dorrien

Phone: (410) 946-5530

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- The fiscal 2010 allowance includes funds for Adult and Correctional Education, which will be transferred to the Department of Labor, Licensing, and Regulation (DLLR) in accordance with Chapter 134 of 2008; therefore, the budget for the Maryland State Department of Education (MSDE) is overstated. The Department of Legislative Services (DLS) estimates that \$16.3 million in general funds, \$1.6 million in special funds, and \$2.4 million in federal funds will be transferred to DLLR in a supplemental budget.

***Personnel Data***

	<b><u>FY 08</u></b> <b><u>Actual</u></b>	<b><u>FY 09</u></b> <b><u>Working</u></b>	<b><u>FY 10</u></b> <b><u>Allowance</u></b>	<b><u>FY 09-10</u></b> <b><u>Change</u></b>
Regular Positions	1,443.60	1,413.60	1,399.60	-14.00
Contractual FTEs	<u>125.07</u>	<u>137.65</u>	<u>131.25</u>	<u>-6.40</u>
<b>Total Personnel</b>	<b>1,568.67</b>	<b>1,551.25</b>	<b>1,530.85</b>	<b>-20.40</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	87.63	6.23%
Positions and Percentage Vacant as of 12/31/08	91.50	6.47%

- The fiscal 2010 allowance includes 7.0 fewer regular positions than the fiscal 2009 working appropriation and 6.4 fewer contractual full-time equivalents. The abolished positions include 5.0 education programming specialists, 1.0 vocational rehabilitation specialist, and a director of scoring in the accountability and assessment program.
- Sections 18 and 19 of the budget bill (House Bill 100/Senate Bill 165) eliminates 5.0 additional vacant regular positions and 2.0 filled regular positions.
- Since fiscal 2008, the total number of regular positions in the agency has been reduced by 44.0.
- The fiscal 2010 allowance includes regular positions in the Division of Career Technology and Adult Learning that will be transferred to DLLR in accordance with Chapter 134 of 2008, therefore, positions are overstated. DLS estimates that 188 regular positions will be transferred to DLLR in a supplemental budget.

## *Analysis in Brief*

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### Issues

***MSDE Overuses “Loaned Educator” Contracts:*** The Loaned Educator program at MSDE allows local school systems to enter into a contract with the State so that a local school system employee can work for MSDE for a finite period of time, gain knowledge from working at the State level, and bring that back to the school system. Since 2006, MSDE has expended \$42.1 million on loaned educator contracts, and the number of individuals working for the State but remaining on county payroll has consistently exceeded 60. **DLS recommends the addition of budget bill language to phase out the use of loaned educators, except in rare short-term instances, over three fiscal years, and a reduction of \$370,000 in general funds for these contracts.**

***Adult and Correctional Education Not Yet Moved to the Department of Labor, Licensing, and Regulation:*** As of this writing, no funds or personnel have been transferred from MSDE to DLLR to implement Chapter 134, which is required to occur by July 1, 2009. **DLS recommends that the department comment on (1) the preparations it has made to accommodate the transfer; (2) expected one-time costs of the transfer; and (3) why the program has not been transferred via the fiscal 2010 allowance as required by statute.**

***High School Assessment Required for Class of 2009, Many Students Have Not Completed Requirement:*** There are 4,089 students (7.5%) statewide who have yet to take one or more of the high school assessments (HSAs). Of these, 1,758 are missing one or two exams and will most likely reach at least the minimum combined score. Another 1,059 are missing one or two exams but will likely need to complete a bridge project to meet the HSA requirements. The remaining 1,276 students (2.3% of the total) have not taken three or more exams. **MSDE should update the committees on the progress of the Class of 2009 moving forward with HSA exams or the Bridge Plan for Academic Validation.**

***Two Information Technology Projects Change Scope and Cost:*** The MD Accountability & Reporting System (MARS) project was included in the fiscal 2009 working appropriation; however, total cost of the project was projected at \$2.3 million. Currently the projected cost of the project is \$4.7 million. Furthermore, in fiscal 2009 two projects were included in the budget, the Maryland Longitudinal Data System and the Web Data Collection System, which seem to have been combined into one, the Education Data Warehouse. **MSDE should comment on the higher cost projection for the MARS project and whether the project will be completed by fiscal 2011 as projected. MSDE should discuss whether the scope of the Education Data Warehouse (EDW) encompasses the fiscal 2009 projects, and whether the scope has been broadened to necessitate increased expenditures**

**Recommended Actions**

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Add language to the budget bill requiring a three-year phase-out of Loaned Educator Program.		
2. Eliminate one vacant regular position.	\$109,530	1.0
3. Delete funds for the Chess Program.	229,500	
4. Delete general fund deficiency appropriation for Assessment and Accountability Contracts.	8,491,703	
<b>Total Reductions to Fiscal 2009 Deficiency Appropriation</b>	<b>\$8,491,703</b>	
<b>Total Reductions to Allowance</b>	<b>\$339,030</b>	<b>1.0</b>

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**Maryland State Department of Education**

***Operating Budget Analysis***

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**Program Description**

The Maryland State Department of Education (MSDE) focuses its efforts in the following three program areas: public education, including correctional education; library development and services; and rehabilitation services.

**Public Education**

Public education consists of the Office of the State Superintendent; Division of Business Services; Division for Leadership Development; Division of Accountability and Assessment; Office of Information Technology; Division of Early Childhood Development; Division of Instruction; Division of Student, Family, and School Support; Division of Special Education/Early Intervention Services; Division of Career Technology and Adult Learning; Division of Certification and Accreditation; Division of Correctional Education, and the Home and Community Based Waiver for Children with Autism.

The Division of Early Childhood Development was formed in fiscal 2006 to consolidate existing MSDE early childhood programs and incorporate the Child Care Administration transferred from the Department of Human Resources in July 2005 and the Child Care Subsidy Program (Purchase of Care) transferred to MSDE by executive order in fiscal 2007. A separate analysis on the Division of Early Childhood Development discusses these programs.

The divisions within the public education program work together toward achieving the following goals:

- improving achievement for each student;
- better aligning and making more understandable programs of instruction, curriculum, and assessment;
- ensuring that all educators have the skills to improve student achievement;
- ensuring that all schools are safe, drug free, and conducive to learning; and
- involving families in education.

## **Library Development and Services**

The Division of Library Development and Services (DLDS) is divided into two branches – the Public Library State Network Branch and the Library for the Blind and Physically Handicapped (LBPH). The division is responsible for developing statewide library services, the statewide library network, and regional libraries. Regional libraries provide support to public libraries in Southern, Western, and Eastern Maryland. The Enoch Pratt Free Library, which is designated as the State Library Resource Center, runs the SAILOR network, provides statewide training, and assumes other statewide responsibilities. LBPH provides specialized services through its facility in Baltimore to the blind and handicapped communities. Chapter 494 of 2006 established a capital grant program to support library projects across the State which will be administered by DLDS.

DLDS works toward achieving the following goals:

- anticipating and meeting the digital and electronic needs of local communities; and
- increasing access to materials in appropriate formats for registered readers and institutions at LBPH.

## **Rehabilitation Services**

The Division of Rehabilitation Services (DORS) program consists of the Division Headquarters, Client Services, the Workforce and Technology Center, the Disability Determination Service, and the Office of Blindness and Vision Services. These programs provide vocational rehabilitation services and determine eligibility for federal disability benefits. The primary purpose of client services is to plan and provide vocational rehabilitation services for individuals with disabilities so that they may maintain or achieve economic self-sufficiency through productive employment. The primary purpose of the disability determination unit is to adjudicate claims for Social Security Disability Insurance and Supplemental Security Income based on medical evidence, vocational factors, and federal rules promulgated by the Social Security Administration. The Office of Blindness and Vision Services was formed by transferring positions from existing DORS programs and consolidating them into one program encompassing all rehabilitation services for blind and vision-impaired individuals.

DORS works toward achieving the following goals:

- promoting employment and independent living for individuals with disabilities through rehabilitation programs; and
- maximizing self-sufficiency for individuals with disabilities through the State's disability determination program.

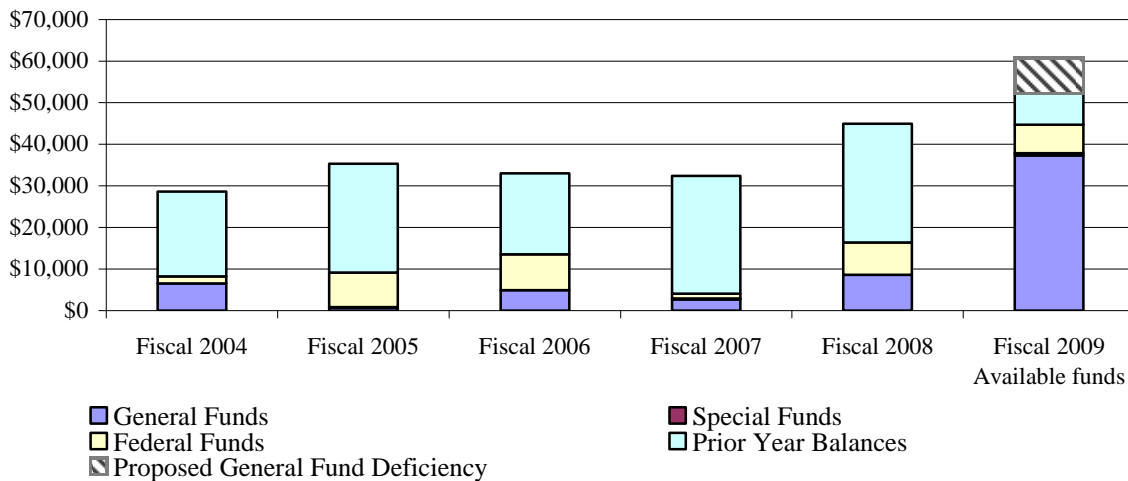
## Fiscal 2009 Actions

### Proposed Deficiency

A \$9.4 million deficiency is requested to supplement the appropriation for accountability and assessment contracts, including \$8.5 million in general funds and \$0.9 million in federal funds that are carried over from the prior fiscal year. During the 2008 legislative session, MSDE estimated the expenditures for Accountability and Assessment contracts for fiscal 2008 to be \$51.5 million and for fiscal 2009 to be \$49.8 million. At closeout, total spending in the Division of Accountability and Assessment in fiscal 2008 was \$44.9 million, \$6.6 million below estimated expenditures.

The fiscal 2009 legislative appropriation for Accountability and Assessment was \$44.7 million, and as of the close of fiscal 2008, encumbrances totaled \$7.6 million for the division. Available funds for the division totaled \$52.3 million. The deficiency request would increase available funds to \$61.7 million, \$10.2 million above MSDE’s original cost estimate for fiscal 2009. This level of expenditure would far exceed any expenditure in previous fiscal years. **Exhibit 1** shows the expenditure by source in the Division of Accountability and Assessment since fiscal 2004. The fiscal 2010 allowance assumes the deficiency is one-time, and does not include any increase in the 2010 allowance. **DLS recommends deleting the general fund deficiency.**

**Exhibit 1**  
**Expenditures in the Division of Accountability and Assessment**  
**Fiscal 2004-2009**  
**(\$ in Thousands)**



Source: Department of Budget and Management

## **Impact of Cost Containment**

The fiscal 2009 appropriation was reduced by the Board of Public Works (BPW) in June and October 2008. The general fund appropriation was reduced by \$7.5 million. Special funds were reduced by \$7,372 while federal funds were reduced by \$0.4 million. In total 29 regular positions were deleted, including 10 from the Division of Rehabilitation Services. The Reboot program which refurbishes old computers for low-income schools was eliminated. Funds were reduced for the Chess program, professional development opportunities for principals, and charter schools. MSDE also received approval from the U.S. Department of Education to delay development and implementation of the modified assessment for elementary school children for one year.

Personnel funding was reduced. Other Post Employment Benefits prefunding of \$1.0 million was deleted and statewide employee health insurance balances of \$0.5 million were used in lieu of budgeted funds. An adjusted \$0.6 million is anticipated for MSDE Headquarters' share of the fiscal 2009 furlough plan.

## **Proposed Budget**

The fiscal 2010 allowance including contingent reductions is \$7.2 million below the fiscal 2009 working appropriation. General funds, including contingent and across-the-board reductions, are \$3.1 million less than the fiscal 2009 working appropriation. The Governor's proposed budget reduces general funds by \$0.5 million for loaned educator contracts and \$1.1 million for school improvement grants.

Although a federal stimulus is likely, it is unknown how funds will be directed, to MSDE Headquarters, to MSDE Aid to Education, or directly to the counties. Since the allowance was developed prior to any discussion of a fiscal stimulus, MSDE estimated a federal fund reduction of \$4.2 million. This decrease anticipates a reduction to the State's Title V allocation, which aims to promote public school choice, and realignment of federal Individuals with Disabilities in Education Act (IDEA) formula funds to the Aid to Education budget. The contingent reduction for deferred compensation further reduces federal funds by \$0.4 million.

## **Personnel Expenditures**

The fiscal 2010 allowance includes 7.0 fewer regular positions than the fiscal 2009 working appropriation. These positions include 5.0 education programming specialists, 1.0 vocational rehabilitation specialist, and a director of scoring in the accountability and assessment program. Across-the-board reductions included in the allowance eliminate an additional 5.0 regular positions, and transfers 2.0 positions to the Department of Budget and Management (DBM). Contractual full-time equivalents are reduced by 6.4.

## **Impact of Cost Containment**

Across-the-board reductions reduce the fiscal 2010 allowance by \$3.9 million. Personnel expenses will be reduced by \$0.8 million, including the deletion of five vacant positions, the transfer

of two full-time positions into DBM, and less funds for contractual employees. Also included is MSDE's share of the elimination of the match for employee deferred compensation retirement funds, which reduces the appropriation by \$0.6 million. Lastly, the allowance includes a reduction in funds for contractual services, which will require agencies to rebid contracts in the declining economy, for a savings of \$2.9 million. This may be particularly difficult for MSDE given that a large portion of the agency's contractual spending is on contracts for accountability and assessment testing. There is minimal market competition for these services; therefore, there may be little impact from the declining economy on the market prices. **MSDE should comment on how the agency plans to renegotiate contracts to account for this reduction.**

### **What Is Not in the Budget**

The fiscal 2010 allowance does not include funds for MSDE to expand into additional Department of Juvenile Services (DJS) facilities. Chapter 535 of 2004 requires that MSDE assume responsibility for education at all DJS-operated facilities by 2012. MSDE is currently providing services in 5 of 14 DJS facilities: the J. DeWeese Carter Youth facility; the Victor Cullen Center; the Charles H. Hickey School; the Lower Eastern Shore Center; and the Baltimore City Juvenile Justice Center. In order to meet the deadline MSDE would have to expand services into the 9 remaining facilities in fiscal 2011 and 2012. In four years MSDE has been appropriated funds to expand into 5 facilities, or about 1 per year. **MSDE should comment on the status of this initiative and whether it expects to still be on target to meet the deadline. The Department of Legislative Services (DLS) recommends adding language to the Budget Reconciliation and Financing Act to extend the deadline for MSDE to expand into DJS facilities to fiscal 2014.**

### **The Federal Stimulus...the \$1.1 Billion Dollar Question**

The federal American Recovery and Reinvestment Act, as passed by the United States House of Representatives, includes \$1.1 billion dollars for Maryland schools in fiscal 2010 and 2011. Approximately \$550 million of this would be made available by July 1, 2009. Included in the Act are enhancements to Title I funding, \$89 million in fiscal 2010; additional aid through IDEA, \$107 million; and funds from a new State Fiscal Stabilization fund, \$354 million equivalent to 61% of the State's allocation. An additional \$195 million is also authorized for school modernization, renovation, and repair.

Both the additional Title I funds and the IDEA funds would be distributed to the local school systems using the current federal formulas. For the Fiscal Stabilization Fund monies, priority would be given to those school systems with appropriations below fiscal 2008 actual levels, of which Maryland has none; and then to public institutions of higher education with appropriations below fiscal 2008 actual levels, of which Maryland also has none; and then to school systems based on their shares of Title I funding. Although the federal stimulus is still likely to change, it is evident that a large portion of the funds will be allocated for K-12 education, some of which may be retained by the State. Potential aid to the school systems will be discussed in the Aid to Education Analysis. **MSDE should comment on where federal stimulus funds could be used in lieu of State general funds, specifically if some monies may be used for accountability and assessment contracts.**

**Exhibit 2**  
**Proposed Budget**  
**MSDE Headquarters**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b>General Fund</b>	<b>Special Fund</b>	<b>Federal Fund</b>	<b>Reimb. Fund</b>	<b>Total</b>
2009 Working Appropriation	\$108,656	\$8,151	\$130,964	\$865	\$248,636
2010 Allowance	<u>109,083</u>	<u>8,587</u>	<u>126,739</u>	<u>890</u>	<u>245,298</u>
Amount Change	\$426	\$437	-\$4,226	\$25	-\$3,338
Percent Change	0.4%	5.4%	-3.2%	2.9%	-1.3%
Contingent Reduction	-\$3,512	-\$8	-\$366	\$0	-\$3,886
Adjusted Change	-\$3,086	\$429	-\$4,591	\$25	-\$7,224
Adjusted Percent Change	-2.8%	5.3%	-3.5%	2.9%	-2.9%
<b>Where It Goes:</b>					
<b>Personnel Expenses</b>					
Reduction of 12 positions and transfer of 2 positions to Department of Budget and Management .....					-\$747
Increments and other compensation .....					578
Employee and retiree health insurance .....					2,681
Workers' compensation premium assessment .....					120
Turnover adjustments .....					-117
Elimination of deferred compensation match .....					-576
Employee retirement.....					1,146
Other Post Employment Benefits prepayment.....					-1,482
Other fringe benefit adjustments .....					98
<b>Federal Fund Changes</b>					
IDEA Fund alignment to Aid to Education .....					-2,156
Title V- School Choice .....					-1,028
Social Security Disability Insurance.....					-851
<b>Other Changes</b>					
Across-the-board contractual employees reduction.....					-225
Across-the-board contractual services reduction.....					-2,875
Loaned educator contracts .....					-500
School improvement grants .....					-1,062
Other changes .....					-227
<b>Total</b>					<b>-\$7,224</b>

IDEA: Individuals with Disabilities in Education Act

PINs: position identification numbers

Note: Numbers may not sum to total due to rounding.

## *Issues*

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### 1. MSDE Overuses “Loaned Educator” Contracts

The Loaned Educator program at MSDE allows local school systems to enter into a contract with the State so that a local school system employee can work for MSDE for a finite period of time, gain knowledge from working at the State level, and bring that knowledge back to the school system. The benefit to the State is that these employees bring local knowledge to special projects.

Since 2006, MSDE has expended \$42.1 million on loaned educator contracts, and the number of individuals working for the State, but remaining on the local school system’s payroll, has consistently exceeded 60. **Exhibit 3** shows the number of loaned educators and the total cost from fiscal 2006 to the fiscal 2010 allowance. In the fiscal 2010 allowance, \$2.2 million of the \$7.6 million allocated for loaned educator contracts are general funds; the remainder is either federal or special funds.

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#### **Exhibit 3 Loaned Educator Contracts Fiscal 2006-2010**

<u>Fiscal Year</u>	<u>Number of Loaned Educators</u>	<u>Total Cost</u>
2006	79	\$8,429,816
2007	73	8,459,269
2008	74	9,256,372
2009	69	8,313,520
2010 Allowance	60	7,637,914
<b>Total</b>		<b>\$42,096,891</b>

Source: Maryland State Department of Education

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More important is the number of years many of the loaned educators have been working at the State level. The average length of tenure for loaned educators included in the fiscal 2010 allowance is 4 years. However, there are 24 individuals who have been working for the State as a loaned educator for longer than 5 years, and 6 of these professionals have been with the State for longer than 10 years. Many of these individuals are in key management positions in MSDE. This creates a situation where the individual has remained on the county payroll, while functionally acting as a regular MSDE employee, often receiving higher compensation from the county than the State would fund for a comparable position. Lastly, because some longer term loaned educators are in supervisory or managerial positions, growth and promotional opportunities for the regular State

personnel is limited. **MSDE should comment on the use of loaned educators and the reasons why long-term contracts have not been converted into regular positions. MSDE should also comment on the use of loaned educators for leadership positions as it relates to Education Article Section 2-104.**

The practice of using loaned educators for the long-term functioning of the department should be eliminated. These contracts should only be used in special circumstances where there are short-term projects which require local talent and local input. **DLS recommends eliminating these contracts over three fiscal years. Beginning in fiscal 2010, one-third of the funding for loaned educators contracts should be reduced. MSDE should retain one-half of the reduced funds annually to convert loaned educators to regular positions. The other half should be eliminated from the agency's budget. By fiscal 2012, these contracts should be minimal and only for specific projects related to local school system functioning. When loaned educators are used, they should be employed for three years or less, and not be used to fill any position of administrative leadership in MSDE.**

## **2. Adult and Correctional Education Not Yet Moved to the Department of Labor, Licensing, and Regulation**

In order to align adult education services with other workforce development skills training in the State, Chapter 134 of 2008 transfers adult education and literacy services and correctional education services from MSDE to the Department of Labor, Licensing, and Regulation (DLLR) as of July 1, 2009. The specific programs that will transfer include the awarding of competitive grants for the provision of adult education and literacy services; the Adult External Diploma Program (EDP); the GED program; and education programs in correctional institutions. Continuation of the EDP will be governed by new regulations adopted by DLLR in consultation with the State Board of Education (State board); however, the State board will remain the entity that actually awards diplomas under the program. In contrast, continuation of the GED program and the awarding of GEDs will be governed by new regulations adopted jointly by DLLR and the State board. The Education and Workforce Training Coordinating Council for Correctional Institutions, chaired by the Secretary of DLLR and the Secretary of the Department of Public Safety and Correctional Services (DPSCS), was established to develop and recommend an educational and workforce training program for correctional institutions. A report was submitted to the General Assembly in January 2009.

### **Workforce Creation and Adult Education Transition Council**

In consideration of the complexities relating to the program, funding, and employee transfers, Chapter 134 established a Workforce Creation and Adult Education Transition Council (council) to facilitate the transfers and recommend a framework for a new State system of adult education and workforce development programs. The council was jointly chaired by the State Superintendent of Schools and the Secretary of DLLR. The Transition Council's report was released on January 16, 2009, and included some recommendations to ease the transition. DLLR and MSDE will jointly introduce legislation that will resolve any of the issues identified in the report, including a statutory change to ensure that correctional educators remain on the Institutional Educator Pay Plan.

## **Advisability of Transferring Correctional Education Services**

Chapter 134 specifically charged the council with determining “the advisability of transferring correctional education services in light of the potential negative impact the transfer could have on the effective operation of juvenile services education.” When juvenile services education was transferred from DJS to MSDE in 2004, to be phased in by 2012, MSDE researched best practices in other states and has utilized its existing infrastructure of adult correctional education programs and the expertise and experience of its adult correctional education staff to develop an effective delivery model and program for juvenile services education. Currently, MSDE reports that 10 positions have overlapping responsibilities relating to adult and juvenile correctional education programs including the director, various coordinators, and administrative staff.

The recommendation of the Internal Administration Workgroup in this regard was split. MSDE members of the workgroup assert that a transfer of adult correctional education services is inadvisable because of the cost that would be incurred to replace staff with overlapping responsibilities (estimated at \$476,000), the coordination that is needed between the juvenile and adult programs, and the funding and professional development that the two efforts currently share. DLLR members suggest that the council should seek specific information relating to the extent of the overlapping responsibilities of staff and other coordinated and shared resources. **MSDE should comment on the status of this transition and decisions related to juvenile detention facility staff.**

## **Funding for Adult Education Not Yet Transferred**

As of this writing, no funds or positions have been transferred from MSDE to DLLR to implement Chapter 134. DLS estimates that at least 188 positions and \$16.3 million in general funds will be transferred to DLLR from MSDE. There has been no decision on how to split the Immediate Office of the Director within MSDE’s Division of Correctional Education, which has four regular positions, including a director position overseeing both adult correctional education and juvenile correctional education, and approximately \$0.5 million in general funds. **The department should comment on (1) the preparations it has made to accommodate the transfer; (2) expected one-time costs of the transfer; and (3) why the program has not been transferred via the fiscal 2010 allowance as required by statute.**

### **3. High School Assessment Required for Class of 2009; Many Students Have Not Completed Requirement**

The Maryland High School Assessments (HSAs) consist of four end-of-course tests designed to measure school and individual student academic performance in English, algebra/data analysis, biology, and government. Statewide planning and development of the HSAs began nearly 15 years ago with the goal of raising high school standards and replacing the Maryland Functional Tests, which were being used at the time as a requirement for high school graduation. After years of development, HSAs were field tested in 2000 and 2001, and students’ scores began to appear on high school transcripts in 2002. In 2004, the State Board of Education voted to make passage of the HSAs a graduation requirement beginning with students entering ninth grade in fall 2005 (the class of 2009).

In October 2007, after a significant amount of additional study and discussion, including five public hearings held throughout the State, the State board voted 8-4 to retain the HSAs as a graduation requirement. In the process of reviewing the HSAs, the State board made two modifications to the policies that had been in place. The board approved the Bridge Plan for Academic Validation, thus providing a student who is unable to pass the HSAs with the option of completing one or more subject-based projects in lieu of passing the assessments. The board also altered the minimum score requirement. Previously, a student was eligible for graduation with a qualifying combined score on the four tests as long as a minimum score on each test was achieved. The qualifying combined score option was retained but with no minimum required scores for individual tests.

### **State Board Reaffirms HSAs as Graduation Requirement**

Responding to concerns raised about requiring success on the HSA for the class of 2009, the State board revisited the issue in October 2008. The board again heard from the public, including individuals who testified in favor of retaining the board's HSA standards and those wishing to delay or eliminate the requirements. The biggest concern voiced by those opposed to using HSAs as a graduation requirement was that students with disabilities and students with limited English proficiency, who otherwise would qualify for graduation, will not be able to complete the exam requirements by June 2009. Those in favor of maintaining the requirement believe that the HSA exams will set a clear minimum competency level for recipients of a Maryland high school diploma. In addition to testimony from the general public, the State board heard testimony from local superintendents of schools, the majority of whom spoke in favor of keeping in place the HSA requirements for the class of 2009.

After a lengthy discussion, the board voted 7-4, with one member absent, to maintain the existing HSA graduation requirements. However, the board adopted an appeals process for students with extenuating circumstances at its December 2008 meeting. These emergency regulations allow a student who has not passed all four HSAs to graduate if the student (1) has met all other graduation requirements; (2) has taken or will take all four tests; (3) has taken advantage of all extra help; and (4) the circumstances that have prevented the student from passing the test are beyond the student's control.

### **83% of the Class of 2009 Has Met HSA Requirements**

As of October 2008, there are 54,628 students who are required to complete the HSA requirements and are otherwise on pace to graduate in June 2009. Of the total, 45,569 students (83.4%) have already taken and passed all four exams or met the requirement by reaching the combined minimum score. Another 4,970 students (9.1%) have taken all four exams but have not achieved passing scores on all four or the minimum combined score option. These students have begun to work on their bridge plan projects. The number of projects a student must complete depends on how close the student is to completing the HSA requirements. A total of 3,695 students are relatively close to meeting the requirements and only need to complete between 1 and 5 projects each; 1,176 students need to complete between 6 and 14 projects; and 99 students need to complete 15 or more projects to fulfill the HSA requirement.

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In addition to those students who have taken all four exams, there are 4,089 students (7.5%) statewide who have yet to take one or more of the HSAs. Of these, 1,754 are missing one or two exams and will most likely reach at least the minimum combined score. Another 1,059 are missing one or two exams but will likely need to complete a bridge project to meet the HSA requirements. The remaining 1,276 students (2.3% of the total) have not taken three or more exams. HSA exams are offered four times per year, with two more testing opportunities before June 2009. A third test administration will take place in June and allow for summer 2009 graduation.

The number of students in each county who had and had not met HSA requirements by June 2008 is shown in **Exhibit 4**. Baltimore City and Prince George's County have the highest percentages, 35.0 and 35.5%, respectively, of students who have not yet met the requirements. Prince George's County also has the highest number of students at risk of not receiving a high school diploma, followed by Montgomery and Baltimore counties and Baltimore City.

**MSDE should update the committees on the progress of the Class of 2009 moving forward with the HSA exams or the Bridge Plan for Academic Validation.**

**Exhibit 4**  
**Students High School Assessment Status**  
**By County**

<u>Counties</u>	<u>All Students Eligible for 2009 Graduation</u>	<u>Students Meeting Requirement</u>	<u>Students Not Meeting Requirement</u>	<u>% Not Meeting Requirement</u>
Allegany	714	611	103	14.4%
Anne Arundel	4,322	3,968	354	8.2%
Baltimore City	3,396	2,206	1,190	35.0%
Baltimore County	7,039	5,958	1,081	15.4%
Calvert	1,324	1,249	75	5.7%
Caroline	374	327	47	12.6%
Carroll	2,183	2,078	105	4.8%
Cecil	1,059	953	106	10.0%
Charles	1,992	1,766	226	11.3%
Dorchester	279	245	34	12.2%
Frederick	2,858	2,678	180	6.3%
Garrett	367	323	44	12.0%
Harford	2,659	2,469	190	7.1%
Howard	3,583	3,329	254	7.1%
Kent	169	128	41	24.3%
Montgomery	9,959	8,143	1,816	18.2%
Prince George's	7,330	4,731	2,599	35.5%
Queen Anne's	579	537	42	7.3%
St. Mary's	1,040	933	107	10.3%
Somerset	143	125	18	12.6%
Talbot	345	281	64	18.6%
Washington	1,537	1,425	112	7.3%
Wicomico	861	649	212	24.6%
Worcester	516	457	59	11.4%
<b>State</b>	<b>54,628</b>	<b>45,569</b>	<b>9,059</b>	<b>16.6%</b>

Source: Maryland State Department of Education

#### 4. Two Information Technology Projects Change Scope and Cost

**Exhibit 5** shows information regarding the MARS project. The MARS project was included in the fiscal 2009 working appropriation; however, total cost of the project was projected at \$2.3 million. Currently the projected cost of the project is \$4.7 million. **MSDE should comment on the increase cost projection for the MARS project and whether the project will be completed by fiscal 2011 as projected.**

**Exhibit 6** shows information regarding the EDW project. The project goal is to create a longitudinal data system where student level performance data can be tracked throughout the

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students' career, even if the student changes school systems. In fiscal 2009 two projects were included in the budget, the Maryland Longitudinal Data System, and the Web Data Collection System which seem to have been combined into one. The price of EDW is higher than the combined cost of the other two projects. **MSDE should discuss whether the scope of EDW encompasses the fiscal 2009 projects and whether the scope has been broadened to necessitate increased expenditures.**

**Exhibit 5**  
**MSDE – MD Accountability & Reporting System (MARS) – Nutrition**

<b>Project Description:</b>	The MARS project replaces current system used to manage and track \$170 million in federal funds administered by the School and Community Nutrition Programs Branch for school nutrition programs. This project purpose is to increase efficiency in management of Federal and State nutrition programs, including the Special Milk Program, the Summer Food Service Program, and the After School Care program, among others.							
<b>Project Business Goals:</b>	1) Retire out-of-date software applications; 2) Reduce work around and manual processing associated to small database systems and spreadsheets containing data redundancy with main systems data which are required to perform needed calculations; 3) Expand processing and data capabilities – accommodate evolving business requirements including allowing external systems access to critical decision making data; 4) Minimize processing time/expand accuracy –reduce the overall number of data processing errors and improve the reliability and integrity of data; 5) Reduce the amount of day to day administrative processing to allow staff to focus on strategic analysis, forecasting, and planning activities. Provide enhanced analytical and financial data analysis capabilities to identify interrelationships and trends and enable staff to analyze data to measure Program improvements.							
<b>Estimated Total Project Cost:</b>	\$ 4,697,154					<b>New/Ongoing Project:</b>	Ongoing	
<b>Project Start Date:</b>	Fiscal 2009			<b>Projected Completion Data:</b>	Fiscal 2011.			
<b>Schedule Status:</b>	A development contract was awarded in October 2008. Phase I of the project has been completed, and Phase II is on track to be completed by June 2009.							
<b>Cost Status:</b>	Projected expenditures in fiscal 2009 for this project were \$2.3 million. Since then projected costs have doubled.							
<b>Scope Status:</b>	The project is planned to be released in two phases and allow one year for testing in between release. Phase I has been completed.							
<b>Project Management Oversight Status:</b>	Portfolio Review Meetings November 2007, March 2008 No peer review or IV&V.							
<b>Identifiable Risks:</b>	None							
<b>Additional Comments:</b>	None							
<b>Fiscal Year Funding (\$ in Thousands)</b>	<b>Prior Years</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Balance to Complete</b>	<b>Total</b>
Personnel Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Professional and Outside Services	1,325,000	2,012,774	1,035,380	0.0	0.0	0.0	3,048,154	4,373,154
Other Expenditures	178,000	178,000	0.0	0.0	0.0	0.0	0.0	324,000
<b>Total Funding</b>	<b>\$1,503,000</b>	<b>\$2,158,774</b>	<b>\$1,305,380</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$4,697,154</b>

**Exhibit 6  
MSDE – Education Data Warehouse**

<b>Project Description:</b>	MSDE collects educational data from local school systems throughout the State, including attendance, student assessment participation and outcomes, student enrollment data and staff data. Currently individual divisions within the department collect the data and store the data in differing formats. The Education Data Warehouse project will encompass the design, development, and the implementation of a new web-based data collection system. School systems will be able to enter data online, standardize data collection, reduce errors and improve quality and security. Data will also be more easily published. The project will also allow students to be linked to their unique student identifier allowing the student and their outcomes to be tracked from kindergarten through graduation. The system will include six modules: school data, attendance, statistical process control, staff, class level membership, and federal programs.							
<b>Project Business Goals:</b>	Increase ability of the State to examine longitudinal data and student level performance outcomes and increase the ability of MSDE to analyze and evaluate schools system programming.							
<b>Estimated Total Project Cost:</b>	\$7,712,000				<b>New/Ongoing Project:</b>		Ongoing	
<b>Project Start Date:</b>	Fiscal 2009			<b>Projected Completion Data:</b>		Fiscal 2013		
<b>Schedule Status:</b>	Current funds are being utilized to complete the first and sixth modules. Progress on the tracking federal programs, has fallen behind schedule, however the contractor is working to maintain the implementation date by simultaneously completing tasks. Delay to implementation will have little impact.							
<b>Cost Status:</b>	Current funding only sufficient to completed module one and six.							
<b>Scope Status:</b>	Since funds are insufficient to completed modules two through five they have been removed from the project. However, the fiscal 2009 working appropriation contains two projects, Maryland Statewide Data System and the web Data Collection System, which appear to have been merged into one project at an increased cost.							
<b>Project Management Oversight Status:</b>	Portfolio review meeting held November 2007, and March 2008.							
<b>Identifiable Risks:</b>	Federal funding may not be awarded, although the U.S. House of Representatives stimulus plan includes money for the development of longitudinal data systems, it is unknown what funding will be for this type of project.							
<b>Additional Comments:</b>	None							
<b>Fiscal Year Funding (\$ in Thousands)</b>	<b>Prior Years</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Balance to Complete</b>	<b>Total</b>
Personnel Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Professional and Outside Services	700,000	1,700,000	2,600,000	2,000,000	712,000	0.0	7,012,000	7,712,000
Other Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>\$700,000</b>	<b>\$1,700,000</b>	<b>\$2,600,000</b>	<b>\$2,000,000</b>	<b>\$712,000</b>	<b>\$0.0</b>	<b>\$7,012,000</b>	<b>\$7,712,000</b>

## ***Recommended Actions***

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1. Add the following language:

Provided that it is the intent of the General Assembly that the practice of entering into contracts with local education agencies allowing local personnel to provide services to the State while remaining on local payroll be eliminated by fiscal 2012, except in the case of special, short-term projects, where local talent is a necessity. These contracts should not last longer than three years and should not include supervisory or managerial positions.

Further provided that the total number of these contracts should be reduced to no more than 43 in fiscal 2010. It is the intent of the General Assembly that all loaned educator contracts currently funded with federal funds should be converted into federally funded regular positions. This can either be accomplished by reclassifying vacant positions or creating positions through the Board of Public Works (BPW). Further provided that the general fund appropriation for the Maryland State Department of Education (MSDE) contracts is reduced by \$370,000. Further provided that since these personnel are currently providing services to the State, any regular positions created through the BPW for the purpose of converting these functions into a regular position, and filled by an individual currently in a reimbursable contract with a local school system, shall not count against the Rule of 50.

Further provided that MSDE shall provide a report on the number of these contracts and any conversion of these personnel to regular positions to the General Assembly by December 15, 2009. MSDE should also provide reports to the budget committees in the special circumstances prior to entering into any new loaned educator contract to provide short-term assistance to the State. The budget committees shall have 45 days to review and comment from the date of receipt of any report.

**Explanation:** The practice of entering into reimbursable contracts with local school systems should be eliminated except for special, short-term projects. The Maryland State Department of Education (MSDE) should provide a report on efforts made to reduce the total number of contracts, and any conversion of these contracts to regular positions. The general fund reduction represents half of the annual general funds that would be reduced in a three-year phase-out.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the reduction of loaned educator contracts	MSDE	December 15, 2009

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	<u>Amount Reduction</u>		<u>Position Reduction</u>
2. Eliminate one vacant position in the Office of the State Superintendent. The position is the Deputy State Superintendent for Administration which was left vacant by a retirement six months ago and has not been filled.	\$109,530	GF	1.0
3. Delete funds for the Chess Program. Funds for the program were reduced by 10% during the October 2008 Board of Public Works reductions. The Chess program should be halted until sufficient funds exist to fully fund the program.	229,500	GF	
4. Delete deficiency appropriation for Accountability and Assessment Contracts. The Maryland State Department of Education has not demonstrated that these funds are needed to make payments in fiscal 2009. The agency should not return to a pattern of encumbering funds for multiple years.	8,491,703	GF	
<b>Total Reductions to Fiscal 2009 Deficiency</b>	<b>\$8,491,703</b>		
<b>Total General Fund Reductions to Allowance</b>	<b>\$339,030</b>		<b>1.0</b>

## *Current and Prior Year Budgets*

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### Current and Prior Year Budgets MSDE Headquarters (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
<b>Fiscal 2008</b>					
Legislative Appropriation	90,761	7,322	124,182	88	222,353
Deficiency Appropriation	0	881	0	0	881
Budget Amendments	2,017	83	13,775	1,660	17,536
Cost Containment	-3,759	-7	-221	0	-3,987
Reversions and Cancellations	-32	-1,930	-22,994	-130	-25,086
<b>Actual Expenditures</b>	<b>88,988</b>	<b>6,348</b>	<b>114,742</b>	<b>1,618</b>	<b>211,696</b>
<b>Fiscal 2009</b>					
Legislative Appropriation	115,371	8,136	131,357	865	255,729
Cost Containment	-7,503	-7	-393	0	-7,903
Budget Amendments	789	22	0	0	811
<b>Working Appropriation</b>	<b>108,656</b>	<b>8,151</b>	<b>130,964</b>	<b>865</b>	<b>248,636</b>

Note: Numbers may not sum to total due to rounding.

## **Fiscal 2008**

The fiscal 2008 MSDE Headquarters budget closed at \$211.7 million, \$10.7 million less than the legislative appropriation. Deficiency appropriations totaled \$0.9 million and budget amendments lead to a net increase in the budget of \$17.5 million. However, cost containment, reversions, and cancellations decreased the working appropriation by \$28.9 million leaving a net decrease in the budget at the close of the fiscal year.

Actual general fund expenditures were \$89.0 million, \$1.8 million less than the legislative appropriation. BPW reduced the legislative appropriation during the July 2007 round of cost containment by \$3.8 million, and other budget amendments throughout the fiscal year increased the appropriation by \$2.0 million. These included \$0.8 million in a cost-of-living adjustment (COLA) for State employees and \$1.2 million in general funds transferred from DPSCS for the Division of Correctional Education at MSDE. General fund reversions totaled \$31,543.

Fiscal 2008 special funds closed out at \$6.3 million, a \$1.0 million reduction from the legislative appropriation. A deficiency appropriation increased special funds by \$0.9 million. These funds were available from licensing fees from lease payments to use MSDE's excess channel capacity (\$0.4 million), the web-based Learning Initiative (\$0.3 million), the Education Partnership Fund (\$0.1 million), and the Ethics in High School Fund (\$0.1 million). However, cancellations decreased the legislative appropriation by \$1.9 million. Notable cancellations included:

- \$0.3 million from unattained special fund indirect costs;
- \$0.3 million from the non-lapsing web-based Learning Initiative fund;
- \$0.2 million from the Department of Public Safety and Correctional Services Inmate Welfare fund;
- \$0.2 million from the Blind Vendors Program fund;
- \$0.2 million from the Medical Assistance Administrative Recoveries fund; and
- \$0.1 million in unattained revenues in the GED fees program.

Actual federal fund expenditures were \$114.7 million, which is \$9.4 million less than the legislative appropriation. Budget amendments increased the appropriation by \$13.8 million including:

- \$10.1 million increase due to carryover funds from prior year appropriations in various programs including; the Title I grants for Educationally Deprived children program, Safe and Drug Free Schools and Communities program, Twenty-first Century Community learning program, Title I Grants to Local Education agencies program, Career and Technology Education grants program, School Improvement Grants program, Grants to States for Incarcerated Youth Offenders

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program, Special Education Grants to Education program, Grants for State Assessment Related Activity program, and Adult Education State grant program;

- \$1.9 million in new grants for the Division of Rehabilitation Services;
- \$0.6 million increase in the Division of Instruction from grant award modifications in the English Language acquisition program and the Chesapeake Bay program; and
- \$0.7 million increase to the Major IT appropriation for developing a web data collection project for school nutrition programs.

Federal fund cancellations totaled \$23.0 million, leading to the net reduction from the legislative appropriation at closeout. It is expected that \$19.4 million will be eligible to be carried over into fiscal 2009 in accordance with the Tydings Amendment which allows federal grant awards a 27-month life cycle. These funds include:

- \$5.9 million in funds from the Vocational Rehabilitation Act Grants to States Program;
- \$4.3 million in the Social Security Act Disability Determination Services Program;
- \$2.3 million in the Reading First program;
- \$2.0 million in the IDEA State Grant program;
- \$1.3 million in the Title I program;
- \$1.0 million in the Improving Teacher Quality program; and
- \$0.6 million in the Advanced Placement Incentive Program.

The remaining \$5.6 million will be cancelled including \$1.4 million for the Division of Rehabilitation Services and \$1.4 million in unattained indirect costs in various divisions.

Reimbursable funds increased through budget amendments by \$1.7 million due primarily to transfers from DLLR for web GED testing services and from DJS to cover the start up costs associated with the educational program at the Victor Cullen institute. MSDE cancelled \$129,923 reimbursable funds.

**Fiscal 2009**

The fiscal 2009 working appropriation is \$248.6 million, \$7.1 million less than the legislative appropriation. A COLA adjustment for State employees increased both the general fund and special fund appropriations by \$0.8 million and \$21,892, respectively; however, BPW reduced the working appropriation in June and October 2008. The general fund appropriation was reduced by \$7.5 million, including the abolition of 29 vacant positions (7 in June, and 22 in October). Special funds were reduced by \$7,372 while federal funds were reduced by \$0.4 million.

**Object/Fund Difference Report  
MSDE – Headquarters**

<u>Object/Fund</u>	<u>FY08 Actual</u>	<u>FY09 Working Appropriation</u>	<u>FY10 Allowance</u>	<u>FY09 - FY10 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	1,443.60	1,413.60	1,406.60	-7.00	-0.5%
02 Contractual	125.07	137.65	131.25	-6.40	-4.6%
<b>Total Positions</b>	<b>1,568.67</b>	<b>1,551.25</b>	<b>1,537.85</b>	<b>-13.40</b>	<b>-0.9%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 104,434,901	\$ 106,048,811	\$ 108,535,593	\$ 2,486,782	2.3%
02 Technical and Spec. Fees	29,039,504	42,161,494	37,718,762	-4,442,732	-10.5%
03 Communication	1,853,149	2,174,417	1,853,202	-321,215	-14.8%
04 Travel	1,190,045	1,014,818	1,074,461	59,643	5.9%
06 Fuel and Utilities	1,099,371	1,343,308	1,150,790	-192,518	-14.3%
07 Motor Vehicles	636,313	531,523	664,964	133,441	25.1%
08 Contractual Services	40,091,627	62,984,673	63,645,184	660,511	1.0%
09 Supplies and Materials	2,760,699	2,165,282	2,466,881	301,599	13.9%
10 Equipment – Replacement	3,139,375	1,251,808	1,221,398	-30,410	-2.4%
11 Equipment – Additional	748,794	653,166	895,098	241,932	37.0%
12 Grants, Subsidies, and Contributions	22,633,626	23,886,836	22,002,726	-1,884,110	-7.9%
13 Fixed Charges	4,019,255	3,854,180	4,005,194	151,014	3.9%
14 Land and Structures	49,278	566,000	64,000	-502,000	-88.7%
<b>Total Objects</b>	<b>\$ 211,695,937</b>	<b>\$ 248,636,316</b>	<b>\$ 245,298,253</b>	<b>-\$ 3,338,063</b>	<b>-1.3%</b>
<b>Funds</b>					
01 General Fund	\$ 88,987,637	\$ 108,656,496	\$ 109,082,671	\$ 426,175	0.4%
03 Special Fund	6,348,293	8,150,771	8,587,360	436,589	5.4%
05 Federal Fund	114,741,529	130,964,434	126,738,722	-4,225,712	-3.2%
09 Reimbursable Fund	1,618,478	864,615	889,500	24,885	2.9%
<b>Total Funds</b>	<b>\$ 211,695,937</b>	<b>\$ 248,636,316</b>	<b>\$ 245,298,253</b>	<b>-\$ 3,338,063</b>	<b>-1.3%</b>

Note: The fiscal 2009 appropriation does not include deficiencies. The fiscal 2010 allowance does not include contingent reductions.

**Fiscal Summary  
MSDE – Headquarters**

<u>Program/Unit</u>	<u>FY08 Actual</u>	<u>FY09 Wrk Approp</u>	<u>FY10 Allowance</u>	<u>Change</u>	<u>FY09 - FY10 % Change</u>
01 Office of the State Superintendent	\$ 11,076,768	\$ 11,163,779	\$ 11,442,681	\$ 278,902	2.5%
02 Division of Business Services	8,646,878	9,030,938	9,539,570	508,632	5.6%
03 Division for Leadership Development	2,806,575	1,903,255	3,027,038	1,123,783	59.0%
04 Division of Accountability and Assessment	20,248,355	42,507,515	41,837,243	-670,272	-1.6%
05 Office of Information Technology	2,721,142	2,790,797	3,045,752	254,955	9.1%
06 Major Information Technology Development Projects	2,254,955	3,794,316	4,158,774	364,458	9.6%
11 Division of Instruction	12,224,144	12,225,629	11,264,332	-961,297	-7.9%
12 Division of Student, Family and School Support	8,256,089	7,614,087	6,964,181	-649,906	-8.5%
13 Div. of Special Educ./Early Intervention Serv.	12,100,933	12,680,526	10,498,817	-2,181,709	-17.2%
14 Division of Career Technology and Adult Learning	5,755,326	6,990,599	6,728,891	-261,708	-3.7%
15 Division of Correctional Education	26,268,106	25,322,138	26,259,409	937,271	3.7%
17 Division of Library Development and Services	2,591,732	2,964,150	3,181,385	217,235	7.3%
18 Division of Certification and Accreditation	3,835,141	3,613,344	3,389,531	-223,813	-6.2%
19 Home and Comm. Based Waiver for Children with Autism	10,817,928	10,817,928	10,817,928	0	0%
20 Div. of Rehab Services - Headquarters	8,554,617	9,078,381	9,430,345	351,964	3.9%
21 Div. of Rehab Services - Client Services	31,222,844	36,054,960	34,413,874	-1,641,086	-4.6%
22 Div. of Rehab Services - Workforce and Tech. Ctr.	8,831,368	9,385,272	9,048,135	-337,137	-3.6%
23 Div. of Rehab Serv. - Disability Determination Serv.	25,984,557	32,753,834	31,902,770	-851,064	-2.6%
24 Div. of Rehab. Serv. – Blindness & Vision Services	7,498,479	7,944,868	8,347,597	402,729	5.1%
<b>Total Expenditures</b>	<b>\$ 211,695,937</b>	<b>\$ 248,636,316</b>	<b>\$ 245,298,253</b>	<b>-\$ 3,338,063</b>	<b>-1.3%</b>
General Fund	\$ 88,987,637	\$ 108,656,496	\$ 109,082,671	\$ 426,175	0.4%
Special Fund	6,348,293	8,150,771	8,587,360	436,589	5.4%
Federal Fund	114,741,529	130,964,434	126,738,722	-4,225,712	-3.2%
<b>Total Appropriations</b>	<b>\$ 210,077,459</b>	<b>\$ 247,771,701</b>	<b>\$ 244,408,753</b>	<b>-\$ 3,362,948</b>	<b>-1.4%</b>
Reimbursable Fund	\$ 1,618,478	\$ 864,615	\$ 889,500	\$ 24,885	2.9%
<b>Total Funds</b>	<b>\$ 211,695,937</b>	<b>\$ 248,636,316</b>	<b>\$ 245,298,253</b>	<b>-\$ 3,338,063</b>	<b>-1.3%</b>

Note: The fiscal 2009 appropriation does not include deficiencies. The fiscal 2010 allowance does not include contingent reductions.