

and generally relating to criteria for qualification as a State-aided educational institution.

BY adding to

Article - Education

Section 5-501 through ~~5-505~~ 5-506, inclusive, to be under the new subtitle "Subtitle 5. State-Aided Educational Institutions"

Annotated Code of Maryland

(1997 Replacement Volume and 1997 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Education

SUBTITLE 5. STATE-AIDED EDUCATIONAL INSTITUTIONS.

5-501.

(A) FOR FISCAL YEAR ~~2000~~ 2001 AND EACH FISCAL YEAR THEREAFTER, TO BE CONSIDERED FOR INCREASED FUNDING UNDER THIS SUBTITLE, AN EDUCATIONAL INSTITUTION MUST QUALIFY AS A STATE-AIDED EDUCATIONAL INSTITUTION UNDER THIS SUBTITLE.

(B) TO QUALIFY AS A STATE-AIDED EDUCATIONAL INSTITUTION, AN EDUCATIONAL INSTITUTION SHALL SUBMIT TO THE DEPARTMENT THE FOLLOWING DOCUMENTATION:

(1) THE 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:

(I) FOR AN EDUCATIONAL INSTITUTION OTHER THAN THE BALTIMORE ZOO, INDICATES THAT LESS THAN 50% OF THE OPERATING BUDGET COMES FROM STATE GRANTS;

(II) SPECIFIES ALL SOURCES OF INCOME, INCLUDING GRANTS RECEIVED, NAMES OF GRANTING AGENCIES, AND THE AMOUNT OF EACH GRANT; AND

(III) SPECIFIES ALL EXPENDITURES;

(5) PLANS FOR THE USE OF ANY GRANT FUNDS THAT MAY BE AWARDED BY THE STATE-AIDED EDUCATIONAL INSTITUTIONS GRANTS PROGRAMS;