

Lillian M. Lowery, Ed.D.
State Superintendent of Schools

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January 7, 2015

The Honorable Martin O'Malley
100 State Circle
Annapolis, MD 21401

The Honorable Thomas V. Miller, Jr.
Office of the President
State House
Annapolis, MD 21401

The Honorable Michael E. Busch
Office of the Speaker
State House
Annapolis, MD 21401

Dear Governor O'Malley, President Miller and Speaker Busch:

Pursuant to Education Article Section 5-202 (d), the Maryland State Department of Education (MSDE) shall prepare an annual report for local Maintenance of Effort (MOE) on or before December 31 of each year to the Governor and the General Assembly. The Department should report all waiver requests, MOE calculations made by the Department, and the Board's decision regarding waiver requests.

On March 26, 2014, the State Board of Education received a formal MOE waiver request from Baltimore City. The City, with support of Baltimore City Public Schools, requested a waiver of \$2,925,582. On April 8, 2014 the Executive Director of the State Board of Education sent the Notice of Public Hearing to the office of the Mayor, City of Baltimore. In addition, on April 10, 2014 the notice was sent to the City School Board and Baltimore City Public Schools as well as posted to the Maryland State Department of Education web page announcing the hearing was to be held on April 22, 2014 and specified the procedures to be followed by the hearing parties.

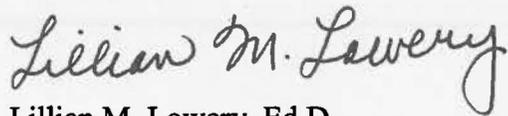
After the public hearing, in which representatives of both parties spoke in favor of the waiver and after deliberation and verification of the calculations upon which the waiver request was based, the Board granted the waiver request on April 24, 2014.

MSDE received MOE certification forms from all 24 local school systems. With the approved waiver for Baltimore City, MSDE is pleased to report that all 24 local jurisdictions have met the fiscal year 2015 MOE requirement.

The attached forms provide a summary of the timing of the certification forms from the local school systems (Exhibit 1) and the FY 2015 required MOE amounts, by jurisdiction (Exhibit 2).

Should you need additional information regarding MOE, please contact Kristy Michel, Deputy Superintendent for Finance and Administration at 410-767-0011 or by email at kristy.michel@maryland.gov

Sincerely,



Lillian M. Lowery, Ed.D.
State Superintendent of Schools

Attachment

C: Kristy Michel
Amanda Conn
Rebecca Ruff

Exhibit 1:
Maryland State Department of Education
Fiscal Year 2015 Maintenance of Effort Compliance Review

Local Education Agency	Received complete submission	Compliance Determination letter Date	Compliance Status
Allegany	6/10/2014	6/16/2014	Approved
Anne Arundel	6/19/2014	6/23/2014	Approved
Baltimore City	9/9/2014	1/6/2015	Approved
Baltimore	7/9/2014	7/10/2014	Approved
Calvert	6/16/2014	6/18/2014	Approved
Caroline	9/8/2014	9/9/2014	Approved
Carroll	6/19/2014	6/20/2014	Approved
Cecil	7/2/2014	7/7/2014	Approved
Charles	6/16/2014	6/19/2014	Approved
Dorchester	7/15/2014	7/16/2014	Approved
Frederick	7/2/2014	7/7/2014	Approved
Garrett	8/28/2014	9/8/2014	Approved
Harford	9/3/2014	9/9/2014	Approved
Howard	5/29/2014	6/3/2014	Approved
Kent	6/3/2014	6/12/2014	Approved
Montgomery	6/9/2014	6/10/2014	Approved
Prince George's	8/7/2014	8/13/2014	Approved
Queen Anne's	7/10/2014	7/11/2014	Approved
St. Mary's	6/4/2014	10/10/2014	Approved
Somerset	8/5/2014	8/8/2014	Approved
Talbot	7/25/2014	7/29/2014	Approved
Washington	6/19/2014	6/23/2014	Approved
Wicomico	7/25/2014	7/29/2014	Approved
Worcester	7/25/2014	7/28/2014	Approved

Exhibit 2:
Maryland State Department of Education
Compilation of Maintenance of Effort Certification for Fiscal Year 2015

Local Education Agency	Minimum Local Share	Maintenance of Effort Level	Additional MOE for Teacher Retirement*	Required Maintenance of Effort Level for FY 2015	Certified Net Local Appropriation
Allegany	\$ 17,708,227	\$ 27,570,891	\$ 1,847,253	\$ 29,418,144	\$ 29,418,144
Anne Arundel	\$ 323,587,651	\$ 587,552,819	\$ 15,930,477	\$ 603,483,296	\$ 603,483,300
Baltimore City **	\$ 156,557,228	\$ 234,096,335	\$ 14,824,485	\$ 250,408,359	\$ 251,884,808
Baltimore	\$ 358,191,695	\$ 693,728,401	\$ 21,062,639	\$ 714,791,040	\$ 726,174,325
Calvert	\$ 51,891,449	\$ 109,137,260	\$ 4,071,110	\$ 113,208,370	\$ 115,808,239
Caroline	\$ 10,796,539	\$ 12,445,654	\$ 991,831	\$ 13,437,485	\$ 13,437,485
Carroll	\$ 83,307,686	\$ 160,961,447	\$ 5,736,837	\$ 166,698,284	\$ 167,562,400
Cecil	\$ 40,713,666	\$ 70,162,530	\$ 3,352,878	\$ 73,515,408	\$ 75,523,845
Charles	\$ 70,121,197	\$ 150,878,298	\$ 5,642,346	\$ 156,520,644	\$ 161,921,600
Dorchester	\$ 11,661,392	\$ 17,756,097	\$ 775,810	\$ 18,531,907	\$ 18,531,907
Frederick	\$ 114,961,961	\$ 222,529,317	\$ 8,438,605	\$ 230,967,922	\$ 230,968,225
Garrett	\$ 17,083,056	\$ 24,498,148	\$ 796,082	\$ 25,294,230	\$ 26,690,979
Harford	\$ 118,462,838	\$ 214,118,279	\$ 7,475,675	\$ 221,593,954	\$ 223,667,302
Howard	\$ 200,573,909	\$ 485,245,819	\$ 14,909,225	\$ 500,155,044	\$ 523,956,761
Kent	\$ 11,271,108	\$ 16,613,542	\$ 445,130	\$ 17,058,672	\$ 17,058,672
Montgomery	\$ 701,134,122	\$ 1,439,045,758	\$ 37,809,551	\$ 1,476,855,309	\$ 1,476,855,309
Prince George's	\$ 323,694,466	\$ 552,564,496	\$ 24,951,664	\$ 577,516,160	\$ 578,190,384
Queen Anne's	\$ 30,269,610	\$ 46,531,082	\$ 1,497,849	\$ 48,028,931	\$ 51,228,247
St. Mary's	\$ 52,122,838	\$ 84,825,707	\$ 3,417,429	\$ 88,243,136	\$ 90,597,461
Somerset	\$ 5,733,173	\$ 8,785,412	\$ 495,932	\$ 9,281,344	\$ 9,281,344
Talbot	\$ 32,014,349	\$ 34,546,056	\$ 792,752	\$ 35,338,808	\$ 35,338,852
Washington	\$ 53,052,531	\$ 90,745,749	\$ 4,099,702	\$ 94,845,451	\$ 94,845,452
Wicomico	\$ 27,991,627	\$ 37,676,790	\$ 2,719,329	\$ 40,396,119	\$ 40,396,119
Worcester	\$ 49,507,162	\$ 73,636,640	\$ 1,647,903	\$ 75,284,543	\$ 77,475,762

*Section 18 of SB 1301 of the 2012 Legislative Session specifies additional MOE requirements.

** MOE level does not include a \$2.9 million waiver approved by the State Board of Education, and incorporates \$4.4 million in transition services that will be rolled into MOE beginning in FY 2015.