

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

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November 18, 2013

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

The Honorable Thomas V. Mike Miller
H-107 State House
100 State Circle
Annapolis, Maryland 21401

The Honorable Michael E. Busch
H-101 State House
100 State Circle
Annapolis, Maryland 21401

RE: SEED School Report (MSAR #5689)

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

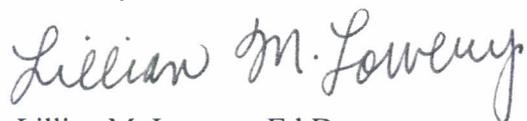
Reporting requirements in Education Article § 8-708 direct the Board of Trustees of the designated operator of the residential boarding education program for at-risk youth established under Education Article 8-701 to report to the Maryland State Department of Education (MSDE and/or the Department) detailed information on the names and sending jurisdictions of students enrolled in the current and preceding years. On or before December 1, the Department is to report that information to the Governor and General Assembly along with a recommendation whether funds for the program should be increased or decreased.

Attached is a report that identifies the operator selected through the State procurement process as the SEED Foundation, Inc., with the formed entity incorporated as The SEED School of Maryland (SEED). Information available for the December 1, 2013 report includes: actual expenditures for School Year (SY) 2013 and budget for SY 2014; student enrollment by school system as of September 30, 2013; names and sending jurisdictions of students enrolled in SEED for the 2012-2013 school year with dates of entry, withdrawal and/or dismissal as appropriate; and whether funds appropriated under § 8-708 should be increased or decreased. *Please note that per the law, the report includes student names. In order to protect confidentiality, we ask that any report that is made public is the version where student names in Exhibits 1 and 2 have been redacted.*

The Honorable Martin O'Malley
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Should you have any questions regarding this information, please feel free to contact Mr. James Newkirk, the designated MSDE Project Monitor for SEED. He may be reached by phone at (410) 767-0338 or by email at jnewkirk@msde.state.md.us.

Sincerely,



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

LML/jn

Attachment

c: Eric Adler
Khalek Kirkland
JoAnn Robinson
Maria Lamb
James Newkirk

Report to the Maryland General Assembly

The SEED School of Maryland

Education Article Title 8, Special Programs for Exceptional Children: Subtitle 7.

Residential Boarding Education Programs for At-Risk Youth

December 2013¹

Overview. Reporting requirements in Education Article §8-708 direct the Board of Trustees of the designated operator of the residential boarding education program for at-risk youth established under the Education Article 8-701 to report to the Maryland State Department of Education (MSDE) detailed information on the names and sending jurisdictions of students enrolled in the current and preceding years. On or before December 1 of each year, MSDE is to report that information to the Governor and General Assembly along with a recommendation whether funds for the residential education program should be increased or decreased.

The operator selected through the 2007 State procurement process is the SEED Foundation, Inc., which formed a new entity incorporated as The SEED School of Maryland (SEED). SEED is designed to provide a rigorous education and to prepare eligible students for college. The SEED School of Maryland opened in August 2008 with its first cohort of 80 sixth grade students; the first class is expected to graduate from SEED's upper school in 2015. All SEED students enter in 6th grade and the school continues to add a grade each year until it will serve students through grade 12. As of September 30, 2013, SEED has enrolled 400 students in grades 6 to 11 representing 12 local education agencies (LEA).

Information available for the December 1, 2013 report includes: 1) student enrollment by name and by sending jurisdiction for the 2013-2014 school year for the combined class of 400 students in Grades 6-11; 2) sending jurisdiction and names of students in Grades 6-10 who attended SEED for the 2012-2013 school year; 3) actual expenditures for SY 2013 and the projected budget for SY 2014; and 4) whether funds appropriated under § 8-708 should be increased or decreased. As per § 8-702 the program is operated under the supervision of MSDE with Mr. James Newkirk as the Contract Monitor along with an internal workgroup of key Department staff, including: Maria Lamb, Interim Assistant State Superintendent for Student, Family and School Support; Steve Brooks, Deputy Superintendent for Business Services; Judy Jenkins, Director of Curriculum; and Jean Satterfield, Assistant State Superintendent for Accreditation and Certification. Dr. Lillian M. Lowery, the State Superintendent of Schools, continues to follow progress at the school. Per its contract, SEED continues to periodically report on progress and related issues to the Maryland State Board of Education, most recently in July 2013.

Exhibit 1 reports by local education agency (LEA) the name and grade level of each SEED student projected to participate for the 2013-2014 school year as of September 30, 2013. Students that have been retained in a grade are indicated by an asterisk. The September 30th enrollment is the official count

¹ **IMPORTANT NOTE: For purposes of student confidentiality a version of this report which has all student names redacted is provided for public release and is available electronically through the library of the Department of Legislative Services.**

for which each LEA with SEED-enrolled student(s) will be billed per the enabling legislation at 85% of the local and state per pupil expenditure. Local school superintendents with SEED-enrolled students received a letter to that effect from the Maryland State Department of Education in October as per reporting requirements stipulated in § 8-708.

Exhibit 2 reports the names of students by LEA attending SEED for the preceding 2012-2013 school year, and includes dates of withdrawal or dismissal for any student leaving the school as well as the dates of entry for students enrolling after the official September 30th count.

Exhibit 3 was submitted by the SEED Managing Director, Stan Estremsky, and shows the actual expenditures for the 2012-2013 school year as well as the funds budgeted for the current 2013-2014 school year. The outlay of capital expenditures reported by SEED is for the start of auditorium renovations and related space in the former Southwestern High School building.

School Administration. SEED's Head of School, Dr. Khalek Kirkland returned to the school for his third year. He lives on the SEED campus in a house provided by SEED with his wife and two young children. SEED hired two assistant principals, Rondell Price, the assistant principal for upper school and McKenna Lewis, the assistant principal for middle school. Both assistant principals live on campus. Stan Estremsky continues as SEED's Managing Director. This year the teaching faculty includes 49 teachers, an increase of 5.5 teachers over 2012-2013. SEED also maintains an active Student Counseling Department, Health Suite, Library, and Student Life (residential) Program.

Communications between SEED and MSDE are supported through quarterly meetings, periodic informal and structured visits, and other communications, as appropriate. SEED leadership participates in the monthly Assistant Superintendents of Instruction meetings. Staff at the SEED School with leadership roles in Reading, Mathematics, Library/Media, Science, Social Studies, Physical Education, Title I, and Special Education receive content-related information from MSDE and are invited to attend periodic statewide content meetings and other MSDE-sponsored conferences that address issues relevant to school operations. MSDE also facilitates communications between the local Directors of Student Support and other school system staff to key SEED staff.

Performance. An important next step for the development of The SEED School of Maryland is to demonstrate academic rigor and success for all students enrolled in the program. Offering a high stakes educational program for students with at-risk factors coming from school systems throughout the state requires daily actions and programs that will enhance student learning and social development so that all SEED students graduate from the school college-ready and so that the school will live up to its promise of ensuring that underserved Maryland youngsters are able to master 21st century learning standards. Meeting state standards is an ever-increasing challenge for all Maryland schools as the annual targets increase each year. In 2013, 74.1% of all SEED students were proficient or advanced in reading and 70.2% of all students were proficient or advanced in mathematics. SEED continues to focus on instructional rigor as well as assess formative progress throughout the school year in order to increase its academic standards and adjust instruction to meet the needs of every student.

Enrollment. The official list of students in **Exhibit 1** includes those enrolled at the school as of September 30, 2013. This year the SEED School of Maryland is serving students from 12 Maryland school systems. Billing to LEAs is based on the 400 students reported in the September 30th list and according to each student's home jurisdiction. SEED Maryland operates with all new students entering the school as 6th graders. See **Table 1** below.

Table 1. Enrollment as of 9/30/2013

County	6 th Grade	7 th Grade	8 th Grade	9 th Grade	10 th Grade	11 th Grade	N=Enrolled Students
Anne Arundel	7	3	5		3	1	19
Baltimore City	32	41	27	35	21	10	166
Baltimore Co.	16	14	9	8	8	3	58
Calvert	2	1	2				5
Howard	10	4	12	11	1	2	40
Kent	2	1	1				4
Montgomery		3		2	1		6
Prince George's	20	25	15	14	11	11	96
Queen Anne's		1					1
St. Mary's				1	1		2
Washington						1	1
Wicomico		2					2
TOTAL	89	95	71	71	46	28	400

Financing. A final item to be addressed in § 8-708 (2) (ii) is “whether the funds appropriated under § 8-710 of this subtitle should be increased or decreased.” At this time there is no indication of a need to increase funds appropriated. Per Chapter 484 of the 2010 Budget Reconciliation and Financing Act, the Department has negotiated a modification to the SEED contract to reduce the state budget allocation to the SEED School of Maryland by \$300,000 for FY 2012 and another \$300,000 for FY 2013. Enrollment for the 2012-2013 school year was limited to no more than 388 students and to no more than 400 students for the 2013-2014 school year. See table below.

SCHOOL YEAR	GRADES SERVED	9/30 ENROLLMENT	GENERAL FUND \$ PROJECTIONS
2008-2009	6 only	80	2,000,000
2009-2010	6 & 7	160	4,000,000
2010-2011	6, 7, & 8	240	6,000,000
2011-2012	6, 7, 8 & 9	308	7,700,000
2012-2013	6, 7, 8, 9 & 10	386	9,700,000
2013-2014	6,7,8,9,10 & 11	Up to 400	10,000,000 (+ inflation factor)

2014-2015 1st Graduation	6 to12	Up to 400	10,000,000 (+ inflation factor)
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Exhibit 3 reports expenditures for the previous SEED school year (2012-2013) and the budget for the current school year of 2013-2014. SEED reported operating expenditures for FY 2013 as \$15,229,848 and the operating budget for FY 2014 as \$16,350,655. The increase in budget in part reflects the grade expansion as per the contract so that enrollment for the SEED School of Maryland over the past two school years has grown from 388 students in Grades 6 -- 10 to a maximum of 400 students in grades 6 -- 11 for the current school year. **Exhibit 3** is located after the enrollment exhibits.

Exhibit 1. SEED School Enrollment 2013-2014
Students (401) by County for the 2013-2014 SY as of the Official 9/30/13 Enrollment

REDACTED NAMES VERSION (For Public Use)

Anne Arundel County -- 19

- 6th Grade: 7 students
- 7th Grade: 3 students
- 8th Grade: 5 students
- 10th Grade: 3 students
- 11th Grade: 1 student

Baltimore City --166

- 6th Grade: 32 students
- 7th Grade: 42 students
- 8th Grade: 27 students
- 9th Grade: 35 students
- 10th Grade: 21 students
- 11th Grade: 10 students

Baltimore County -- 59

- 6th Grade: 17 students
- 7th Grade: 14 students
- 8th Grade: 9 students
- 9th Grade: 8 students
- 10th Grade: 8 students
- 11th Grade: 3 students

Calvert County -- 5

- 6th Grade: 2 students
- 7th Grade: 1 student
- 8th Grade: 2 students

Howard County -- 39

6th Grade: 9 students
7th Grade: 4 students
8th Grade: 12 students
9th Grade: 11 students
10th Grade: 1 student
11th Grade: 2 students

Kent County -- 4

6th Grade: 2 students
7th Grade: 1 student
8th Grade: 1 student

Montgomery County -- 6

7th Grade: 3 students
9th Grade: 2 students
10th Grade: 1 student

Prince George's County – 96

6th Grade: 20 students
7th Grade: 25 students
8th Grade: 15 students
9th Grade: 14 students
10th Grade: 11 students
11th Grade: 11 students

Queen Anne's County -- 1

7th Grade: 1 student

St. Mary's County -- 2

9th Grade: 1 student
10th Grade: 1 student

Washington County – 1

11th Grade: 1 student

Wicomico County – 2

7th Grade: 2 students

Exhibit 2. SEED School Enrollment 2012-2013

Students (386) by County for the 2012-2013 SY

REDACTED NAMES VERSION (For Public Use)

(1) The name of each student who participated in the program during the preceding year; (2) The county in which each student who participated in the program during the preceding year was domiciled; (3) The total number of students that participated in the program during the preceding year; NOTE: The total number of students that participated in the program during the preceding year was 406 **students**. Official enrollment of 386 students + 20 entries (after the 9/30 enrollment count) during the school year with 75 withdrawals and 15 dismissals. It is important to highlight those students who are classified as “summer withdrawals” or “no-shows” are reported on this list (withdrawals between 6/15/13 – 9/15/13 who never reported to campus). Students that withdrew before the 2012-2013 school year started not included in the final count of 406 students. (Education Article § 8-708, Reporting Requirements)

Anne Arundel County

6th Grade

2 students no change
1 student withdrawn 1/11/13
1 student entered 12/7/12 withdrawn 8/23/13
1 student entered 9/26/12

7th Grade

4 students no change
1 student withdrawn 8/29/13
1 student re-entry 11/5/12

9th Grade

2 students no change
1 student dismissed 10/22/12

10th Grade

2 students no change

Baltimore City

6th Grade

32 students no change
1 student withdrawn 9/5/2013
1 student withdrawn 9/5/13
1 student entered 9/26/12
1 student entered 9/17/12
1 student entered 10/15/12 withdrawn 9/5/13
1 student entered 12/10/12
1 student entered 1/22/12

1 student withdrawn 10/16/12
1 student entered 9/17/12
1 student withdrawn 10/10/12
1 student withdrawn 8/23/13
1 student entered 11/25/12
1 student entered 9/27/12
1 student entered 1/22/13
1 student entered 1/27/13

7th Grade

19 students no change
5 students dismissed 6/17/13
1 student entered 9/24/12

1 student withdrawn 6/17/13
1 student withdrawn 2/15/13

8th Grade

37 students no change
 1 student withdrawn 8/21/13
 1 student withdrawn 9/5/13
 1 student dismissed 3/20/13

1 student withdrawn 6/17/13
 1 student withdrawn 8/20/13

9th Grade

22 students no change
 1 student withdrawn 11/8/12
 1 student dismissed 2/8/13
 1 student withdrawn 6/28/13
 1 student withdrawn 8/14/13

1 student withdrawn 8/9/13
 1 student withdrawn 6/17/13
 1 student withdrawn 8/14/13

10th Grade

15 students no change
 1 student withdrawn 6/17/2013

1 student withdrawn 12/4/12
 1 student withdrawn 12/6/12

Baltimore County**6th Grade**

13 students no change
 1 student withdrawn 3/22/13
 1 student withdrawn 8/15/13
 1 student entered 11/25/12 withdrawn 6/17/13
 1 student entered 1/27/13
 1 student entered 11/12/12
 1 student withdrawn 9/5/13

7th Grade

9 students no change
 1 student withdrawn 2/20/13
 1 student withdrawn 8/12/13

1 student dismissed 6/17/13
 1 student withdrawn 6/17/13

8th Grade

6 students no change

1 student withdrawn 9/5/13

9th Grade

6 students no change
 1 student withdrawn 9/2/13
 1 student withdrawn 6/17/13

10th Grade

4 students no change
 1 student withdrawn 6/17/13
 1 student withdrawn 1/4/2013

Calvert County

6th Grade

2 students no change

7th Grade

2 students no change

Carroll County

7th Grade

1 student withdrawn 9/5/13

Charles County

6th Grade

1 student withdrawn 6/17/13

1 student withdrawn 10/10/12

7th Grade

1 student dismissed 4/15/13

Frederick County

7th Grade

1 student withdrawn 4/15/13

Harford County

7th Grade

1 student no change

Howard County

6th Grade

4 students no change

1 student withdrawn 8/19/13

1 student entered 9/27/12 withdrawn 10/16/12

1 student withdrawn 2/25/13

1 student entered 12/7/12 withdrawn 8/30/13

1 student entered 9/24/12

7th Grade

13 students no change

1 student dismissed 3/5/13

1 student withdrawn 6/17/13

1 student dismissed 6/17/13

1 student withdrawn 8/12/13

1 student re-entered 1/22/13 withdrawn 9/14/13

8th Grade

13 students no change

9th Grade

1 student no change
 1 student withdrawn 11/29/12
 1 student withdrawn 8/13/13

10th Grade

2 students no change

Kent County**6th Grade**

1 student no change

7th Grade

1 student no change

Montgomery County**6th Grade**

3 students no change

8th Grade

2 students no change

9th Grade

1 student no change

Prince George's County**6th Grade**

25 students no change
 1 student withdrawn 11/29/12
 1 student withdrawn 10/1/12
 1 student withdrawn 10/15/12
 1 student entered 1/22/13
 1 student withdrawn 10/1/12
 1 student entered Entry 1/22/13 dismissed 4/14/13
 1 student withdrawn 10/26/12
 1 student withdrawn 12/4/12

1 student dismissed 6/17/13
 1 student entered 4/7/13 withdrawn 4/9/13
 1 student withdrawn 5/6/13
 1 student entered 9/17/12 withdrawn 10/16/12
 1 student withdrawn 5/10/13
 1 student withdrawn 10/24/12
 1 student entered 12/3/12 withdrawn 6/17/13
 1 student entered 1/22/13
 1 student entered 12/10/12 withdrawn 4/15/13

7th Grade

16 students no change
 2 students dismissed 6/17/13

8th Grade

9 students no change
 1 student withdrawn 2/15/13

1 student withdrawn 8/12/13
 1 student withdrawn 4/16/13
 1 student withdrawn 1/28/13

9th Grade

14 students no change
 1 student withdrawn 9/5/13
 1 student withdrawn 6/17/13

10th Grade

12 students no change

Queen Anne's County

6th Grade

1 student no change

9th Grade

1 student withdrawn 9/5/13

St. Mary's County

8th Grade

1 student no change

9th Grade

1 student no change

Washington County

6th Grade

1 student withdrawn 9/5/13

10th Grade

1 student no change

Wicomico Co.

6th Grade

2 students no change

1 student withdrawn 9/5/13

Exhibit 2
FY 2013 and FY 2014 SEED Budgets (actual/projected)

MSDE Format Annual Budget
 SEED School of Maryland FY 13 - 14

		FY 2013	FY 2014
Operating Revenue		<u>Actual</u>	<u>Budget</u>
	Special Fund Revenues (State and Local Per Pupil Funding)	\$3,950,000	\$4,335,286
	State payments for transp., boarding & admin.	\$9,700,000	\$10,000,000
	Revenues from other program income:		
	Specify programs here		
	FARMS	\$101,782	\$92,048
	NCLB (restricted funds) and ARRA	\$538,964	\$466,649
	SPED		
	LAFF and		
	ARRA	\$41,560	\$51,271
	Private revenue	\$0	\$0
	Fundraising	\$6,230,183	\$2,750,000
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	Total Operating Budget Revenues	\$20,562,489	\$17,695,254
	Expense		
201	Administration	\$1,816,112	\$1,871,308
202	Mid-level Administration		\$0
203	Instructional Salaries and Wages	\$4,451,177	\$4,933,295
204	Textbooks and Instructional Supplies	\$191,722	\$131,900
205	Other Instructional Costs	\$124,560	\$235,000
206	Special Education	\$4,937	\$5,000
207	Student Personnel Services	\$0	\$0
208	Student Health Services	\$0	\$0
209	Student Transportation	\$379,179	\$371,210
210	Operation of Plant (facility)	\$1,479,217	\$972,016
211	Maintenance of Plant	\$0	\$0
212	Fixed Charges	\$602,189	\$706,451
213	Food Service	\$100,237	\$95,204
214	Community Services	\$112,787	\$133,835
	Residential Program		
	Salary & Fringe Benefits	\$2,117,636	\$2,124,605
	Supplies	\$41,066	\$34,431
	Security	\$278,137	\$275,348
	Sports/Clubs	\$18,887	\$20,500

Contractual services		\$0
Other – specify	\$3,512,005	\$4,440,552
Facilities	\$678,524	\$745,366
Staff Development	\$0	\$0
Food Service	\$1,097,811	\$1,108,002
Transportation	\$0	\$0
Depreciation	\$1,416,117	\$1,691,348
Interest	\$319,553	\$895,836
Total Operating Budget Expenditures	\$15,229,848	\$16,350,655
Net Income(deficit)	\$5,332,641	\$1,344,599
Capital		
Revenue and Expense		
Private Revenue - Construction Capital	\$2,500,000	\$1,750,000
Construction Loan Interest Expense	\$319,553	\$895,836
Capital Expense and Debt		
Capital Expenditures - Construction Costs	\$(12,323,430)	\$(1,800,000)
Construction Loan draw	\$2,097,302	\$1,800,000