



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

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December 22, 2014

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 #5869)

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

Please find enclosed the annual report on enrollment and budget for The SEED School of Maryland. Education Article, Title §8-701, established the Residential Boarding Education Program for At-risk Youth, which is operated by the Board of Trustees of The SEED School of Maryland.

Title 8 requires an annual report from the Board of Trustees detailing enrollment for the previous school year and the current school year. The report is submitted to the Governor and the General Assembly by the Maryland State Department of Education (MSDE) with funding recommendations.

In school year 2013-2014 the SEED School reached its projected capacity of 400 students in grades 6 through 12. In the current year, 2014-2015, the SEED School will maintain enrollment at 400 students. There is no indication of a need to increase or decrease funds for the school but to maintain the funding allocation under Title §8-708.

Should you have questions or need additional information, please contact Carol Beck, Director, Office of School Innovations at (410) 767-3678 or by email at carol.beck@maryland.gov.

Sincerely,

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

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 2014

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 new 6th grade class each year. As of September 30, 2014, SEED has enrolled 407 students in grades 6 to 12 representing 12 local education agencies (LEA).

Information available for the December 1, 2014 report includes: 1) student enrollment by name and by sending jurisdiction for the 2014-2015 school year for the combined class of 400 students in Grades 6-12; 2) sending jurisdiction and names of students in Grades 6-11 who attended SEED for the 2013-2014 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 Ms. Carol Beck as the Contract Monitor along with an internal workgroup of key Department staff, including: Kristina Kyles, 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.

Exhibit 1 reports by local education agency (LEA) the name and grade level of each SEED student projected to participate for the 2014-2015 school year as of September 30, 2014. Students that have been retained in a grade are indicated by an asterisk. The September 30th enrollment is the official count

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. (This Exhibit not included for public release)

Exhibit 2 reports the names of students by LEA attending SEED for the preceding 2013-2014 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. **NOTE: Exhibits 1 and 2 are not included in this version of the report for public release.**

Exhibit 3 was submitted by the SEED Managing Director, Stan Estremsky, and shows the actual expenditures for the 2013-2014 school year as well as the funds budgeted for the current 2014-2015 school year.

School Administration. SEED's Head of School, Dr. Khalek Kirkland returned to the school for his fourth year. He lives on the SEED campus in a house provided by SEED with his wife and two young children. SEED hired three new administrators this year. Frederick Rivers, Ed.D served as the Director of Academics and two assistant principals, Jennifer Myers, the assistant principal for upper school and Thomas Fingado, the assistant principal for middle school. Both assistant principals live on campus. Stan Estremsky continues as SEED's Managing Director. The teaching faculty includes 49 teachers. 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. Based on the 2014 MSA results, 75.8% of students were proficient or advanced in reading and 53.7% of SEED students were proficient or advanced in mathematics. The decrease in performance in math and limited increase in reading can be attributed to preparation and focus on the implementation of Maryland's College and Career-Ready Standards versus MSA standards.

SEED continues to focus on instructional rigor as well as assess formative progress throughout the school year in order to 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, 2014. 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** for current year (2014-2015) and **Table 2** for previous year (2013-2014) below.

Table 1. Enrollment as of 9/30/2014

County	6 th Grade	7 th Grade	8 th Grade	9 th Grade	10 th Grade	11 th Grade	12 th Grade	N = Enrolled Students
Anne Arundel	3	4	4	4	0	2	2	19
Baltimore City	9	13	7	13	8	5	2	57
Baltimore Co.	24	39	37	23	25	12	13	173
Calvert	0	0	0	1	0	0	0	1
Charles	1	0	0	0	0	0	0	1
Harford	1	0	0	1	0	0	0	2
Howard	7	8	3	10	10	1	1	40
Kent	0	1	1	1	0	0	0	3
Montgomery	1	0	2	0	2	0	0	5
Prince George's	19	16	22	12	8	11	12	100
St. Mary's	2	0	0	0	0	0	0	2
Washington	0	0	0	0	0	0	1	1
Wicomico	2	0	1	0	0	0	0	3
TOTAL	69	81	77	65	53	31	31	407

Table 2. Enrollment for 2013-2014 by LEA and grade

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	0	3	1	19
Baltimore City	33	39	27	36	22	10	167
Baltimore Co.	16	14	8	8	8	3	57
Calvert	2	1	2	0	0	0	5
Howard	10	4	12	12	1	2	41
Kent	2	1	1	0	0	0	4

Montgomery	0	3	0	2	1	0	6
Prince George's	19	24	15	14	11	11	94
Queen Anne's	0	1	0	0	0	0	1
St. Mary's	0	0	0	1	1	0	2
Washington	0	0	0	0	0	1	1
Wicomico	0	2	0	0	0	0	2
TOTAL	89	92	70	73	47	28	399

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 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	388	9,700,000
2013-2014	6,7,8,9,10 & 11	400	10,000,000 (+ inflation factor)
2014-2015	6 to 12	400	10,000,000 (+ inflation factor)

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 -- 12 for the current school year. **Exhibit 3** is located after the enrollment exhibits.

Exhibit 3
FY 2014 and FY 2015 SEED Budgets (actual/projected)

MSDE Format Annual Budget

SEED School of Maryland FY 13 – 14 actual and FY 14-15 projected

Operating		FY 2014	FY 2015
		<u>Actual</u>	<u>Budget</u>
Revenue			
Special Fund Revenues (State and Local Per Pupil Funding)		\$4,567,593	\$4,567,593
State payments for transp., boarding & admin.		\$10,100,000	\$10,200,000
Revenues from other program income:			
Specify programs here			
FARMS		\$208,399	\$135,068
NCLB (restricted funds) and ARRA		\$701,671	\$436,032
SPED LAFF & ARRA		\$52,365	\$52,365
Private revenue		\$0	\$0
Fundraising		\$2,688,527	\$2,610,000
Total Operating Budget Revenues		\$18,318,555	\$18,001,058
Expense			
201	Administration	\$2,112,646	\$2,071,341
202	Mid-level Administration		\$0
203	Instructional Salaries and Wages	\$4,024,393	\$3,967,988
204	Textbooks and Instructional Supplies	\$72,785	\$130,100
205	Other Instructional Costs	\$41,825	\$94,500
206	Special Education	\$4,689	\$5,000
207	Student Personnel Services	\$0	\$0
208	Student Health Services	\$0	\$0
209	Student Transportation	\$418,979	\$378,210
210	Operation of Plant (facility)	\$1,845,888	\$2,035,715
211	Maintenance of Plant	\$0	\$0
212	Fixed Charges	\$923,509	\$958,952
213	Food Service	\$0	\$0
214	Community Services	\$169,807	\$165,205
Residential Program			
Salary & Fringe Benefits		\$2,053,731	\$2,114,856

Supplies	\$84,299	\$64,875
Security	\$261,627	\$291,732
Sports/Clubs	\$23,344	\$19,500
Contractual services		\$0
Other – specify	\$4,346,401	\$4,609,306
Facilities	\$734,661	\$714,968
Staff Development	\$0	\$0
Food Service	\$1,082,596	\$1,190,175
Transportation	\$0	\$0
Depreciation	\$1,745,637	\$1,818,816
Interest	\$783,507	\$885,347
Total Operating Budget Expenditures	\$16,383,923	\$16,907,280
Net Income(deficit)	\$1,934,632	\$1,093,778
Capital		
Revenue and Expense		
Private Revenue - Construction Capital	\$2,000,000	\$2,000,000
Construction Loan Interest Expense	\$783,507	\$885,347
Capital Expense and Debt		
Capital Expenditures - Construction Costs	\$(6,935,189)	-
Construction Loan draw	\$5,016,299	-