Assumptions for State Formula Modeling Purposes

Determine Total Funding

1. Enrollment
   • Use “greater of” Sept 30 or 3-year rolling average for full-time equivalent (FTE) count and eliminate add-on declining enrollment grant
   • Use “greater of” for Comparable Wage Index (CWI)
   • Count full-day pre-K separately

2. Cost of Education Index
   • Use CWI
   • Wealth equalize (State share only)
   • Cap at Geographic Cost of Education Index (GCEI) total cost under current law

3. Preliminary Per Pupil Foundation Amount
   • Include maintenance and operations, teacher supplies and technology
   • Inflation – current law (lesser of Consumer Price Index (CPI)/implicit price deflator (IPD) for State and local government capped at 5%)

4. Per Pupil Weights – Targeted Populations
   • Pre-K (full-day 3- and 4-year-olds)
   • Compensatory Education (free and reduced-price meals (FRPM) except Community Eligibility Provision (CEP) counties)
   • English learners (no adjustment for current FRPM)
   • Special education (use placeholder weight)
   • Concentration of Poverty
     o Wealth equalized per pupil amount based on school concentration of poverty (FRPM)
     o 2 positions per school above 55% FRPM State funded

5. Wealth Equalized Categorical Programs
   • Teacher Career Ladder
   • College and Career Ready (CCR)/non-CCR
   • Career Counseling
   • Transitional Supplemental Instruction (phased out by FY 30)

6. Retirement
   • Current law – State and local shares
State/Local Shares

1. Local Wealth
   • Use November net taxable income (NTI) and eliminate add-on NTI grant
   • Incorporate tax increment financing (TIF) into property wealth calculation [cap at value pledged to outstanding bonds-not modeled] and eliminate add-on TIF grant
   • Use current law proportions of property/income wealth in wealth calculation

2. Wealth Per Pupil
   • Use Sept 30 FTE count (does not include full-day pre-K count)

3. Guaranteed Tax Base
   • Current law (for now)

4. Supplemental grant
   • Eliminate

5. Floors
   • 15% floor – current law (for now) (show impact on State)
   • 40% floors – current law (for now) (show impact on State)

6. Maintenance of Effort Options
   • Current law
     o Prior Year Local Appropriation per FTE?
     o FTE – 9/30 or “greater of”? 
     o Escalator
   • Local share of targeted formulas?
     o Compensatory education
     o English learners
     o Special education
   • Local share of new wealth equalized formulas?
     o CWI
     o Per pupil concentration of poverty
     o CCR pathways
     o Non-CCR programs
     o Career counseling
     o Teacher Career Ladder
     o Full day pre-K formula
**State Funded Programs**

1. **State Funded Categorical Programs**
   - Family Support Centers/Judy Centers
   - Innovation Grants – Teacher Prep Collaboratives and career and technical education (CTE)

2. **Infrastructure/Capacity Building/Accountability**
   - Training on Vision
   - Oversight Board
   - CTE Committee
   - Maryland State Department of Education – local education agency financial reporting, Expert review teams
   - Maryland Higher Education Commission – teacher preparation institutions, community college, CTE?