

## **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
    - Wealth equalized per pupil amount based on school concentration of poverty (FRPM)
    - 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
    - Prior Year Local Appropriation per FTE?
    - FTE – 9/30 or “greater of”?
    - Escalator
  - Local share of targeted formulas?
    - Compensatory education
    - English learners
    - Special education
  - Local share of new wealth equalized formulas?
    - CWI
    - Per pupil concentration of poverty
    - CCR pathways
    - Non-CCR programs
    - Career counseling
    - Teacher Career Ladder
    - 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?