



Nancy S. Grasmick  
State Superintendent of Schools

200 West Baltimore Street • Baltimore, MD 21201 • 410-767-0100 • 410-333-6442 TTY/TDD

**TO:** Members of the State Board of Education  
**FROM:** Nancy S. Grasmick *Nancy*  
**DATE:** March 24, 2009  
**SUBJECT:** **FY 2009 Budget Reductions**

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**PURPOSE:**

To provide information on action taken by the Board of Public Works (BPW) related to the FY 2009 budget.

**BACKGROUND/HISTORICAL PERSPECTIVE:**

The State's economic situation requires further cost containment action for the current fiscal year. This is the third action taken by BPW to reduce the FY 2009 budget. Prior actions were in June 2008 and October 2008.

The attached schedule reflects the items adjusted from the Maryland State Department of Education budget. The reductions total \$1,392,107 and include six vacant positions and one part-time contractual position. All reductions in this action are from the Headquarters budget. Along with specific reductions noted on the schedule, this also recognizes the savings from the Statewide furlough plan. These adjustments will be incorporated in a later budget document, depending on when they are officially posted in the State's accounting system.

**ACTION:**

No action required

NSG: SAB



## March 2009 BPW Reductions Maryland State Department of Education

Reduction Item	Reduction Recommended	Total Fund Reduction	General Fund Reduction	Positions Reduced
<b>Education - Specific Adjustments</b>				
Position Abolitions	Eliminate 6 vacant positions and 0.5 contractual: 1.0 FTE - Leadership Development; 2.0 FTE - Correctional Education; 3.0 FTE - Rehabilitation Services; and 0.5 FTE - contractual - Student, Family and School Support	233,486	233,486	6.00
Fund Swap	Use of Non-State funds in lieu of State funds: Fund half of materials from Library for the Blind with Federal Funds (\$100,000); and Support 50% of one position with non-State funds (MPSSAA Assistant Director \$25,776)	125,776	125,776	
Furlough Loaned Educators	40 hours of furlough for loaned educator contract positions	62,417	62,417	
Operating Expenses	Reduce miscellaneous expenses: Executive Pay Plan (\$27,727); and Educator Information System maintenance (\$10,000)	37,727	37,727	
Share the State Fair	Eliminate funding of mandated program. Only one county applied for funding from this program last year.	25,000	25,000	
Grant Reductions	Reduce funding of Educational grants of school improvement initiatives.	100,000	100,000	
<b>Subtotal - Specific Reductions</b>		<b>584,406</b>	<b>584,406</b>	<b>6.00</b>
<b>MSDE share of Statewide reductions</b>				
Furloughs	MSDE share of statewide Furlough and Temporary Salary Reduction action (\$20,497 in Special Funds)	807,701	787,204	
<b>Total</b>		<b>1,392,107</b>	<b>1,371,610</b>	<b>6.00</b>