February 8, 2012

Mr. John R. Leopold, County Executive Office of the Anne Arundel County Executive Arundel Center, 44 Calvert Street Annapolis, Maryland 21401

Dear Mr. Leopold:

As you know, the State Board has requested interested persons to respond by February 24, 2012 to Anne Arundel County's filing concerning compliance with MOE. It is our understanding that the County's FY12 appropriation of \$609 million to the school system includes \$53.8 million in debt service.

We request that you answer the following questions in writing by February 15, 2012.

- (1) Is the figure cited above accurate? If not, what is the correct figure?
- (2) Was that amount actually appropriated to the school system or does it remain in the county budget?
- (3) Is that amount the total number of dollars in debt service that the county could attribute to school construction projects? If the answer is no, how did the county decide on the amount of debt service it would attribute to the school system?
- (4) To which school construction projects is the attributed debt service attached?
- (5) How much is the attributed debt service for each project?
- (6) How did the county arrive at the \$41 million in debt service it attributed to the school system for FY11 to create the "apples to apples" comparison for MOE purposes?
- (7) In the debt service amount attributed to the school system for FY11 and FY12, has the county included any deferred debt service payments or advance debt service payments?

The State Board would appreciate a full response to these questions by February 15, 2012.

Thank you.

Sincerely,

James H. DeGraffenreidt, Jr.

President

Maryland State Board of Education

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c: Steve Brooks
Elizabeth M. Kameen, Esquire
John R. Hammond
Dr. Kevin M. Maxwell
P. Tyson Bennett, Esquire