February 4, 2012

Corey W. Pack, President County Council of Talbot County Court House 11 North Washington Street Easton, Maryland 21601

Dear Mr. Pack:

On December 1, 2011, Dr. Sadusky issued a Notice of Non-Compliance with Maintenance of Effort to the County Council of Talbot County. The Council was provided the opportunity to dispute the finding of non-compliance. The Council responded to Dr. Sadusky stating:

"As you are aware, there is no legal requirement for a County to fund its Board of Education at the Maintenance of Effort level. The legal requirement is for a County to fund the local requirement of the foundation program each year. Talbot County met this legal requirement for FY 2012."

Pursuant to Education Article §5-213, Dr. Sadusky sent the Council's letter to the State Board. The State Board has determined that the December 15, 2011 letter is not a formal dispute of Dr. Sadusky's finding of non-compliance. If we are incorrect in that determination, please notify Anthony South, <a href="mailto:tsouth@msde.state.md.us">tsouth@msde.state.md.us</a>, as soon as possible.

We take this opportunity, however, to clarify the requirement to fund MOE. In MSBOE Op.11-28, the State Board ruled:

As we read the statutory scheme, it is our view that §5-202(d)(i) and (ii) impose a legal requirement on county government to fund fully both the local share and MOE. Like many legally-imposed obligations, a county government, for all sorts of reasons, might fail to meet the statutorily imposed funding requirements. That does not mean that funding local share plus MOE is optional, however. As to MOE, the statutory scheme makes it clear that failure to fund the full MOE will lead to a penalty which is one of the consequences of not meeting the statutorily imposed funding requirement for MOE.

Corey W. Pack, President February 4, 2012 Page 2

For those reasons, we issue a declaratory ruling that the statutory language of §5-202 imposes a legal requirement on county governments to fund fully local share and MOE while §5-103 establishes the absolute minimum amount - - the local share - - that must be requested in the local board's budget.

*Id.* at 5-6.

Thank you for your letter.

Sincerely,

James H. DeGraffenreidt, Jr.

President

Maryland State Board of Education

c: Dr. Bernard J. Sadusky
Anthony L. South
Elizabeth M. Kameen, Esq.
Steve Brooks
Michael Pullen, Esq.
Andrew Burke

Dr. Karen B. Salmon