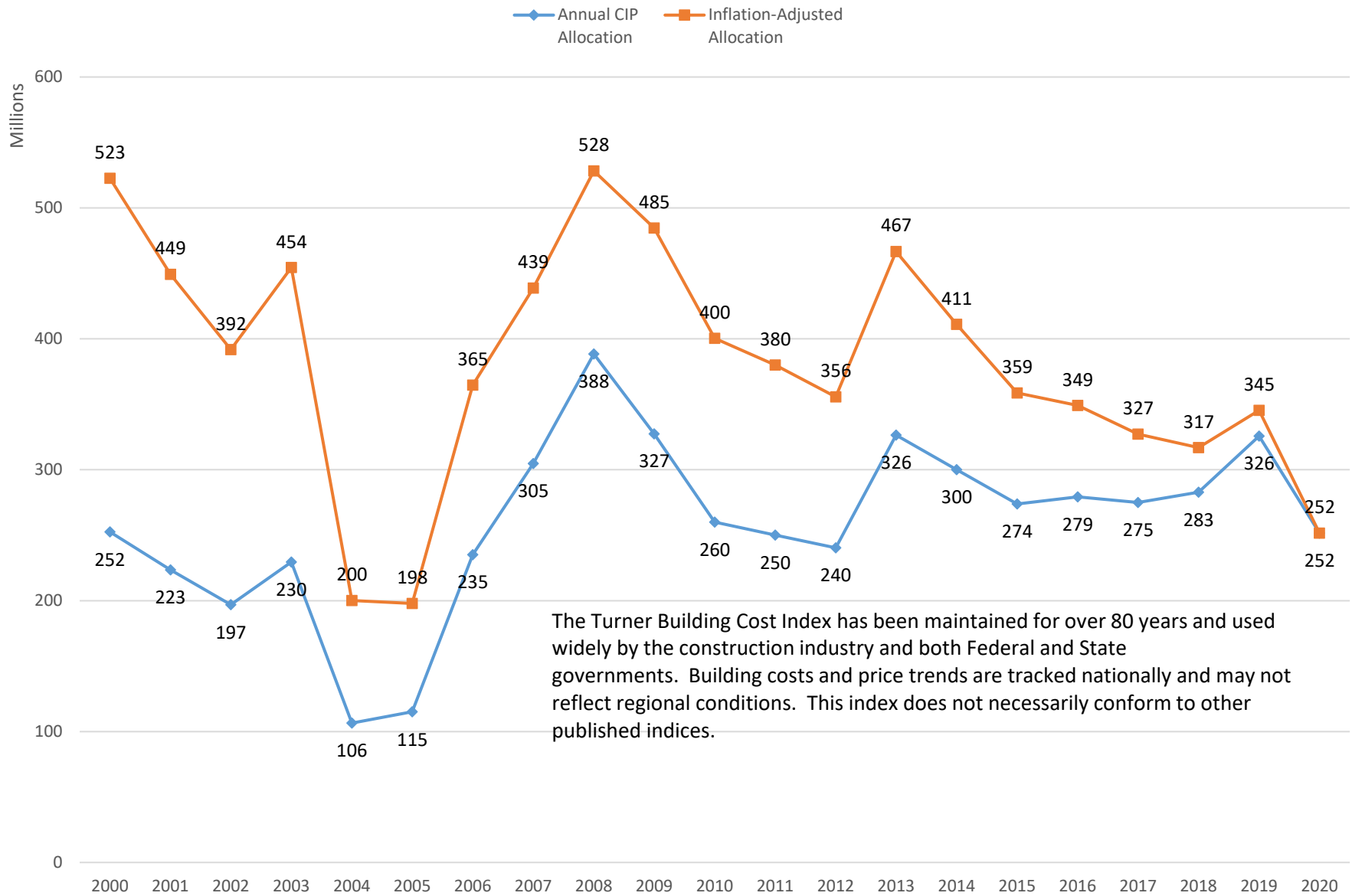
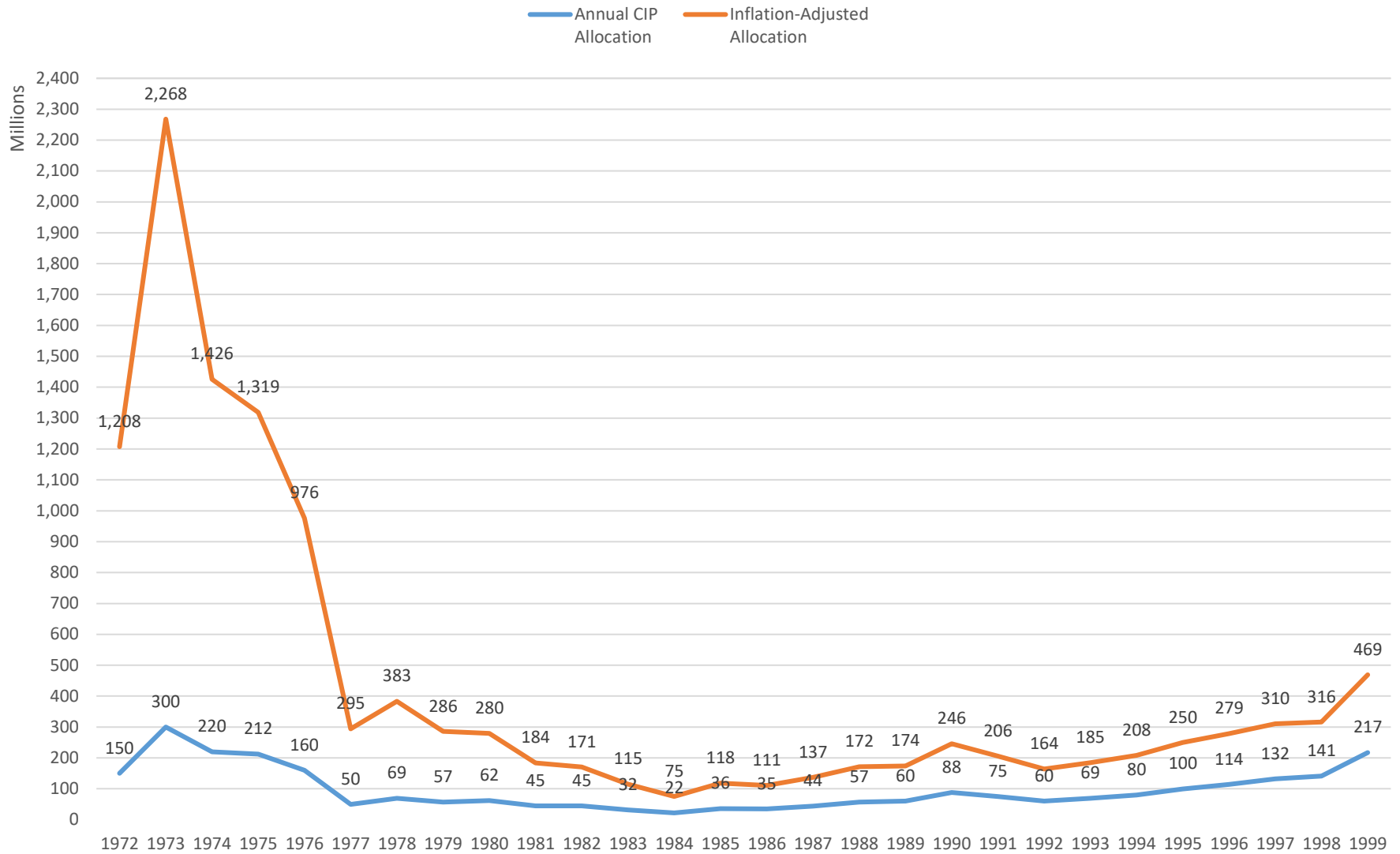


FY 2000-2020 Comparison of Total Annual CIP Allocation to Inflation-Adjusted Allocation

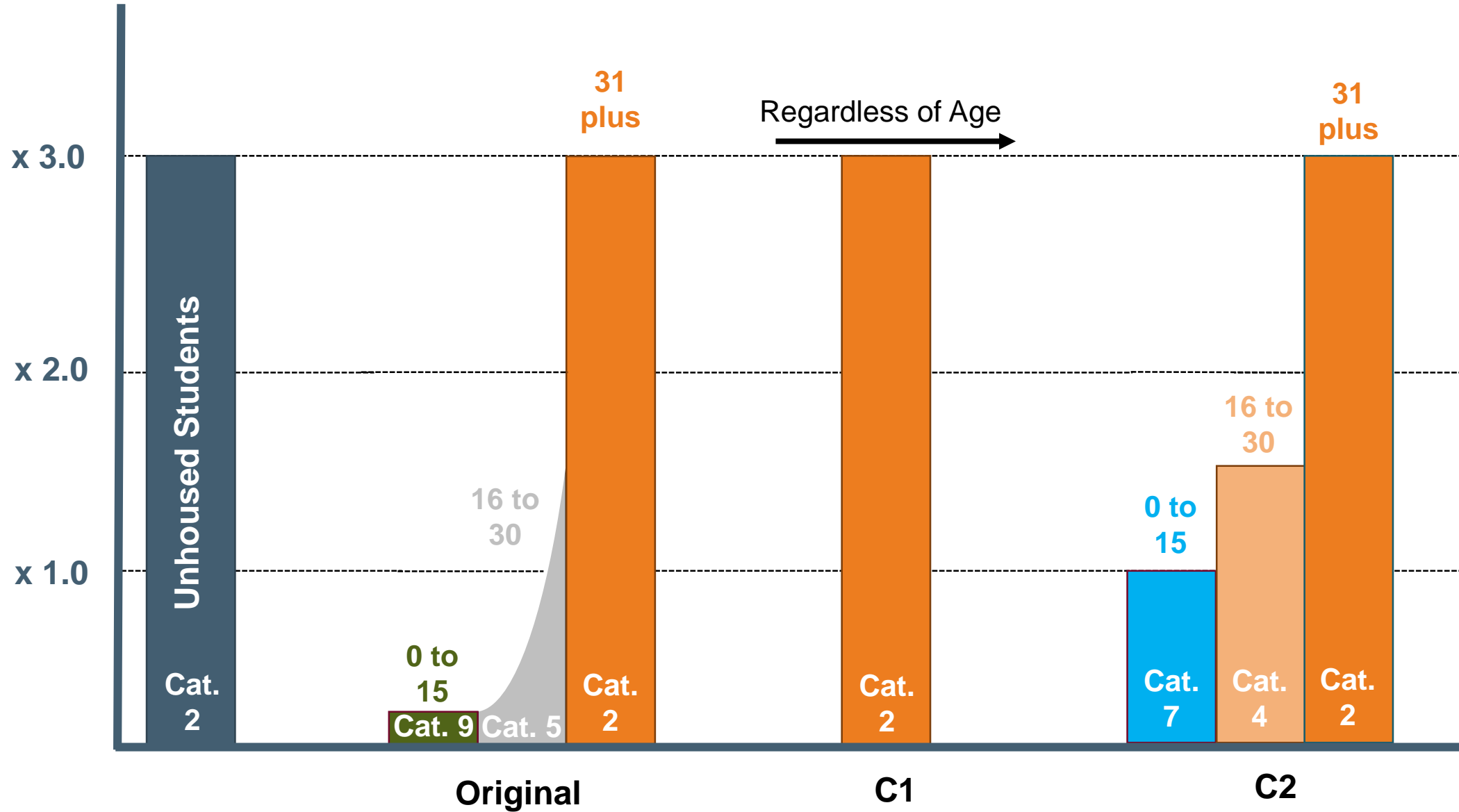


FY 1972-1999 Comparison of Total Annual CIP Allocation to Inflation-Adjusted Allocation



Weighting Relocatables

Category Weight

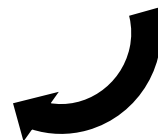


Item 1.E.

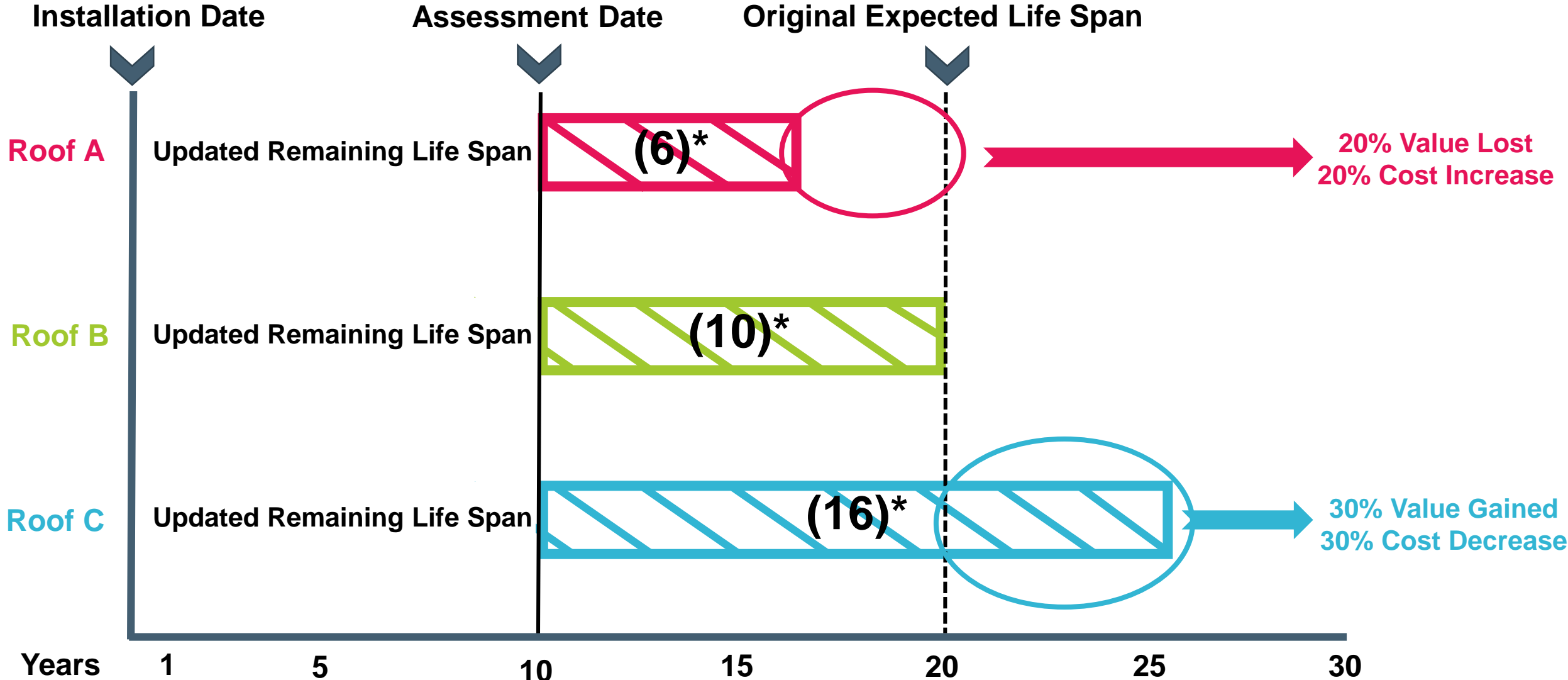
Category #	Description	Weight
1	Immediate Code/Life/Health Threat Used only for critical issues that pose immediate threats to the life, health, or safety of persons within the facility. <ul style="list-style-type: none"> • Obvious friable asbestos • Unprotected exit corridors • Electrical hazards <i>Ex: Severe HVAC deficiencies requiring closure of a school</i>	3.5
2	Sufficiency Deficiency – Space Deficiencies that are related to sufficiency standards for inherent space-based issues in the facility. <ul style="list-style-type: none"> • Not enough classrooms • Lacking square-footage requirements • Missing mission-critical space 	3.0
3	Mitigate Additional Damage: Systems or deficiencies that require repairs to mitigate additional damage. <ul style="list-style-type: none"> • Leaking roof • Poor ventilation causing moisture buildup <i>Ex: HVAC deficiencies that could result in damage to the facility, such as leaks</i>	2.0
4	Degraded w/ Potential Mission Impact Systems or deficiencies that are mission critical and beyond useful life, or most systems beyond 200% expected life. <ul style="list-style-type: none"> • Fire alarm system beyond 200% • Severely damaged walls • Systems past 200% life expectancy 	1.5
5	Beyond Expected Life: Systems or deficiencies that are 100% to 200% beyond expected life and show no signs of required repairs. <ul style="list-style-type: none"> • Expired portable buildings • Many interior finishes without damages 	.25 to 1.5



Category #	Description	Weight
6	Grandfathered or State/District Standards: Systems or deficiencies that are “grandfathered” code issues or specific to the local agency. <ul style="list-style-type: none"> • Fire Sprinklers • Flooring consistent with local architectural standards 	.5
7	Sufficiency Deficiency – Facility Deficiencies that are related to sufficiency standards for inherent parts of the facility. <ul style="list-style-type: none"> • ADA Issues • Insufficient Parking • Fixed Equipment (such as serving kitchens) 	1.0
8	Sufficiency Deficiency – Equipment Deficiencies that a related to sufficiency standards for non-fixed equipment. <ul style="list-style-type: none"> • Missing playgroup equipment 	.5
9	Normal/Within Life Cycle Systems that are within the expected life cycle and do not require replacement. <ul style="list-style-type: none"> • Functioning, new lighting • A 20 year old system with a 25 year life cycle <i>Ex: HVAC within normal lifecycle and fully functioning</i>	.25



Life Span Affects Cost



Formulaic Funding Policy Options

Problem

For optimal planning, LEAs need predictable funding. However, because the current CIP allocations are not formulaic, they are not easily predictable, nor are the allocations easily understood by the public.

Proposed Solution

In conjunction with a successful standards-based funding program, use a formula to allocate CIP funding to the LEAs as would be done through a block-grant program. Link the formula-based CIP program with the Educ. Art. § 5-315 Local Share of School Construction Costs Revolving Loan Fund so that LEAs may save allocations for future years.

Allocation Options

- 1) Enrollment-Based
 - a. Allocate available dollars based upon current SY enrollment as projected in the previous year by MSDE.
 - b. To support the smallest LEAs,¹ apply a minimum annual (floor) allocation of 1% of the total allocation.
- 2) Enrollment-Based, Adjusted for County Wealth
 - a. Adjust the enrollment-based allocation based upon each county's wealth using the most recent final MSDE calculation of TIF-adjusted county wealth.
 - b. To support the smallest LEAs,¹ apply a minimum annual (floor) allocation of 1% of the total allocation.

Banking

- 1) Allow LEAs to save all or part of their annual state-share allocations for unlimited years and earn a given annual interest rate on the saved funds.
- 2) When LEAs bank allocations, the funds could be placed within the Local Share of School Construction Costs Revolving Loan Fund and made available to other LEAs so that the funds are not left unused.

Pros

- 1) Allocates funds in a more transparent manner because it is formula based.
- 2) Permits better portfolio management and fiscal planning by LEAs and the State because allocations are more predictable (although, due to the nature of appropriations, not completely guaranteed).
- 3) Makes more funding available to each LEA in the years in which it chooses to spend the funds.
- 4) Increases the autonomy of LEAs in determining when and how to make use of State construction dollars.

Potential Cons

- 1) May restrict the IAC's ability to fund large project needs of smaller LEAs by moving funds from larger LEAs. However, LEAs highest new/renewal/replacement-project needs would be addressed by an appropriately funded standards-based funding program.
- 2) Assumes that the General Assembly will continue to appropriate similar or larger CIP funding amounts in future years.

¹ Including Maryland School for the Blind through FY 2028 per Education Article, §8-315.

DRAFT Formulaic CIP Funding Calculation
Enrollment-Based Allocation

(All dollar values in thousands)				Historical CIP (New Authorizations Only)				Enrollment-Based Allocation		
A	B	C	D	E	F	G	H	I	J	K
LEA (by enrollment size)	Avg. Age (2019)	Total Enrollment 9/2018	% of 2018 Statewide Enrmt	49-YEAR Avg. Ann. CIP Allocs. FY1972-FY2020, (Infl. Adjusted)	10-YEAR Avg. Ann. CIP Allocs. FY11-20 (Nominal)	% of Total Allocation	10-YEAR Avg. Ann. CIP Allocs. FY11-20, (Infl. Adjusted)	Raw Enrollment-Based Allocation	Raw Enrollment-Based Allocation w/ 1% Floor	% of Total Allocation
Montgomery	24	157,949	18.30%	\$ 53,456	\$ 34,230	12.22%	\$ 43,753	\$ 51,231	\$ 48,999	17.38%
Prince George's	37	127,376	14.76%	\$ 42,167	\$ 28,387	10.13%	\$ 36,422	\$ 41,314	\$ 39,514	14.02%
Baltimore County	32	109,669	12.70%	\$ 37,419	\$ 32,902	11.74%	\$ 42,197	\$ 35,571	\$ 34,021	12.07%
Anne Arundel	29	80,860	9.37%	\$ 40,865	\$ 27,796	9.92%	\$ 35,516	\$ 26,227	\$ 25,084	8.90%
Baltimore City	41	73,580	8.52%	\$ 50,631	\$ 30,300	10.81%	\$ 37,872	\$ 23,866	\$ 22,826	8.10%
Howard	18	56,405	6.53%	\$ 25,508	\$ 17,488	6.24%	\$ 23,282	\$ 18,295	\$ 17,498	6.21%
Frederick	26	41,329	4.79%	\$ 22,245	\$ 17,658	6.30%	\$ 22,364	\$ 13,405	\$ 12,821	4.55%
Harford	30	36,869	4.27%	\$ 20,853	\$ 12,272	4.38%	\$ 15,987	\$ 11,958	\$ 11,437	4.06%
Charles	27	26,315	3.05%	\$ 15,416	\$ 10,497	3.75%	\$ 13,034	\$ 8,535	\$ 8,163	2.90%
Carroll	28	24,823	2.88%	\$ 13,605	\$ 6,018	2.15%	\$ 7,980	\$ 8,051	\$ 7,701	2.73%
Washington	33	21,792	2.52%	\$ 10,783	\$ 7,965	2.84%	\$ 10,115	\$ 7,068	\$ 6,760	2.40%
St. Mary's	23	17,040	1.97%	\$ 9,762	\$ 4,777	1.70%	\$ 6,128	\$ 5,527	\$ 5,286	1.88%
Calvert	22	15,474	1.79%	\$ 9,940	\$ 6,228	2.22%	\$ 7,982	\$ 5,019	\$ 4,800	1.70%
Cecil	27	14,682	1.70%	\$ 7,752	\$ 3,920	1.40%	\$ 4,781	\$ 4,762	\$ 4,555	1.62%
Wicomico	26	14,368	1.66%	\$ 9,779	\$ 9,679	3.45%	\$ 12,157	\$ 4,660	\$ 4,457	1.58%
Allegany	32	8,048	0.93%	\$ 8,324	\$ 5,048	1.80%	\$ 6,146	\$ 2,610	\$ 2,800	0.99%
Queen Anne's	18	7,498	0.87%	\$ 4,099	\$ 2,434	0.87%	\$ 3,351	\$ 2,432	\$ 2,800	0.99%
Worcester	26	6,374	0.74%	\$ 4,311	\$ 1,345	0.48%	\$ 1,548	\$ 2,067	\$ 2,800	0.99%
Caroline	24	5,515	0.64%	\$ 4,555	\$ 2,855	1.02%	\$ 3,459	\$ 1,789	\$ 2,800	0.99%
Dorchester	31	4,530	0.52%	\$ 6,619	\$ 4,033	1.44%	\$ 4,805	\$ 1,469	\$ 2,800	0.99%
Talbot	19	4,396	0.51%	\$ 2,258	\$ 1,802	0.64%	\$ 1,884	\$ 1,426	\$ 2,800	0.99%
Garrett	31	3,661	0.42%	\$ 3,847	\$ 227	0.08%	\$ 275	\$ 1,187	\$ 2,800	0.99%
Somerset	23	2,725	0.32%	\$ 5,453	\$ 5,249	1.87%	\$ 6,215	\$ 884	\$ 2,800	0.99%
Kent	41	1,794	0.21%	\$ 1,543	\$ 266	0.09%	\$ 309	\$ 582	\$ 2,800	0.99%
MSB	46	192	0.02%	\$ 1,689	\$ 6,836	2.44%	\$ 8,278	\$ 62	\$ 2,800	0.99%
Total/Avg.	30	863,264	100%	\$ 412,881	\$ 280,213	100%	\$ 355,841	\$ 280,000	\$ 281,922	100%

DRAFT Formulaic CIP Funding Calculations
Wealth-Adjusted Enrollment-Based Allocation

(All dollar values in thousands)				Historical CIP (New Authorizations Only)				Wealth-Adjusted Enrollment-Based Allocation					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
LEA (by enrollment size)	Avg. Age (2019)	Total Enrollment 9/2018	% of 2018 Statewide Enrmt	49-YEAR Avg. Ann. CIP Allocs. FY1972-FY2020, (Infl. Adjusted)	10-YEAR Avg. Ann. CIP Allocs. FY11-20 (Nominal)	% of Total Allocation	10-YEAR Avg. Ann. CIP Allocs. FY11- 20, (Infl. Adjusted)	FY 2020 County Wealth, TIF Adj., Per Student	2020 County Wealth, TIF Adj., Per Stu, as % of Statewide Average	Wealth-Adjusting Multiplier	Wealth-Adjusted Allocation	Wealth-Adjusted Allocation w/ 1% Floor	% of Total Allocation
Montgomery	24	157,949	18.30%	\$ 53,456	\$ 34,230	12.22%	\$ 43,753	\$ 786	142.84%	75%	\$ 38,369	\$ 36,458	12.95%
Prince George's	37	127,376	14.76%	\$ 42,167	\$ 28,387	10.13%	\$ 36,422	\$ 438	79.53%	113%	\$ 46,827	\$ 44,495	15.80%
Baltimore County	32	109,669	12.70%	\$ 37,419	\$ 32,902	11.74%	\$ 42,197	\$ 538	97.74%	102%	\$ 36,384	\$ 34,571	12.28%
Anne Arundel	29	80,860	9.37%	\$ 40,865	\$ 27,796	9.92%	\$ 35,516	\$ 685	124.47%	86%	\$ 22,568	\$ 21,444	7.62%
Baltimore City	41	73,580	8.52%	\$ 50,631	\$ 30,300	10.81%	\$ 37,872	\$ 377	68.54%	120%	\$ 28,642	\$ 27,216	9.66%
Howard	18	56,405	6.53%	\$ 25,508	\$ 17,488	6.24%	\$ 23,282	\$ 615	111.77%	94%	\$ 17,154	\$ 16,299	5.79%
Frederick	26	41,329	4.79%	\$ 22,245	\$ 17,658	6.30%	\$ 22,364	\$ 481	87.43%	109%	\$ 14,551	\$ 13,826	4.91%
Harford	30	36,869	4.27%	\$ 20,853	\$ 12,272	4.38%	\$ 15,987	\$ 512	92.97%	105%	\$ 12,578	\$ 11,951	4.24%
Charles	27	26,315	3.05%	\$ 15,416	\$ 10,497	3.75%	\$ 13,034	\$ 426	77.37%	115%	\$ 9,786	\$ 9,298	3.30%
Carroll	28	24,823	2.88%	\$ 13,605	\$ 6,018	2.15%	\$ 7,980	\$ 531	96.47%	103%	\$ 8,297	\$ 7,884	2.80%
Washington	33	21,792	2.52%	\$ 10,783	\$ 7,965	2.84%	\$ 10,115	\$ 371	67.39%	121%	\$ 8,532	\$ 8,107	2.88%
St. Mary's	23	17,040	1.97%	\$ 9,762	\$ 4,777	1.70%	\$ 6,128	\$ 469	85.28%	110%	\$ 6,071	\$ 5,769	2.05%
Calvert	22	15,474	1.79%	\$ 9,940	\$ 6,228	2.22%	\$ 7,982	\$ 494	89.79%	107%	\$ 5,376	\$ 5,108	1.81%
Cecil	27	14,682	1.70%	\$ 7,752	\$ 3,920	1.40%	\$ 4,781	\$ 435	78.98%	114%	\$ 5,413	\$ 5,144	1.83%
Wicomico	26	14,368	1.66%	\$ 9,779	\$ 9,679	3.45%	\$ 12,157	\$ 299	54.30%	129%	\$ 5,996	\$ 5,697	2.02%
Allegany	32	8,048	0.93%	\$ 8,324	\$ 5,048	1.80%	\$ 6,146	\$ 322	58.45%	126%	\$ 3,293	\$ 3,129	1.11%
Queen Anne's	18	7,498	0.87%	\$ 4,099	\$ 2,434	0.87%	\$ 3,351	\$ 649	117.89%	90%	\$ 2,190	\$ 2,800	0.99%
Worcester	26	6,374	0.74%	\$ 4,311	\$ 1,345	0.48%	\$ 1,548	\$ 1,197	217.48%	30%	\$ 611	\$ 2,800	0.99%
Caroline	24	5,515	0.64%	\$ 4,555	\$ 2,855	1.02%	\$ 3,459	\$ 291	52.80%	130%	\$ 2,318	\$ 2,800	0.99%
Dorchester	31	4,530	0.52%	\$ 6,619	\$ 4,033	1.44%	\$ 4,805	\$ 369	67.09%	121%	\$ 1,776	\$ 2,800	0.99%
Talbot	19	4,396	0.51%	\$ 2,258	\$ 1,802	0.64%	\$ 1,884	\$ 1,051	190.86%	46%	\$ 652	\$ 2,800	0.99%
Garrett	31	3,661	0.42%	\$ 3,847	\$ 227	0.08%	\$ 275	\$ 644	117.03%	91%	\$ 1,075	\$ 2,800	0.99%
Somerset	23	2,725	0.32%	\$ 5,453	\$ 5,249	1.87%	\$ 6,215	\$ 311	56.56%	127%	\$ 1,125	\$ 2,800	0.99%
Kent	41	1,794	0.21%	\$ 1,543	\$ 266	0.09%	\$ 309	\$ 919	166.97%	60%	\$ 351	\$ 2,800	0.99%
MSB	46	192	0.02%	\$ 1,689	\$ 6,836	2.44%	\$ 8,278				\$ 62	\$ 2,800	0.99%
Total/Avg.	30	863,264	100%	\$ 412,881	\$ 280,213	100%	\$ 355,841	\$ 550	100%		\$ 279,998	\$ 281,596	100%

**Enrollment Growth and Relocatable Classroom Allocations
FY 2016 to FY 2021
(in Thousands)**

Local Education Agency	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021*	Total
Anne Arundel	\$ 3,012	\$ 6,038	\$ 9,480	\$ 7,916	\$ 7,935	\$ 6,890	\$ 41,271
Baltimore County	\$ 4,098	\$ 8,275	\$ 12,342	\$ 10,853	\$ 10,812	\$ -	\$ 46,380
Caroline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 470	\$ 470
Dorchester	\$ 170	\$ 357	\$ -	\$ -	\$ -	\$ -	\$ 527
Frederick	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,522	\$ 3,522
Howard	\$ 2,075	\$ 4,100	\$ 6,670	\$ 5,447	\$ 5,462	\$ 4,806	\$ 28,560
Montgomery	\$ 5,884	\$ 11,728	\$ 21,835	\$ 25,911	\$ 25,903	\$ 13,459	\$ 104,720
Prince George's	\$ 4,761	\$ 9,502	\$ 12,173	\$ 18,073	\$ 18,088	\$ 10,853	\$ 73,450
Total	\$ 20,000	\$ 40,000	\$ 62,500	\$ 68,200	\$ 68,200	\$ 40,000	\$ 298,900

*FY 2021 EGRC Funding estimated based upon Education Article §5-313, which requires the Gover to provide \$40,000,000 for the program each year beginning in fiscal year 2017.