

A GROWING INEQUALITY

**A Report on the Financial Condition
of the Baltimore City Public Schools**

January, 1989

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Baltimore, MD 21201

Executive Summary

In the last decade, one task force and two courts have examined Maryland's formula for public education aid. All three have determined that the system distributes money unfairly, failing to help the state's poorer schools provide the same quality of education that exists in the wealthier jurisdictions.

Baltimore City, the focus of this report, in particular has faced major financial difficulties in recent times, despite the fact that city schools teach almost half of Maryland's disadvantaged students.

In an attempt to address the inequity in state education aid, the Governor and the State Legislature passed the Action Plan for Educational Excellence (APEX) in 1987.

This report seeks to put APEX into context, to predict what effects the law will have on Baltimore City, and to examine the past, present, and future financial condition of the Baltimore City Public Schools (BCPS). The report's conclusions are as follows:

Baltimore City Public School students are not only performing at lower academic levels than their counterparts elsewhere in the state, they also have higher absenteeism and dropout rates and lower graduation rates. Furthermore, the academic and behavioral disparities widened in the last three years.

Baltimore City Public Schools have fewer teachers and support staff, with lower salaries and pensions and fewer books and supplies. Overall, the city has significantly fewer dollars to spend on each pupil.

Baltimore City, because it is so much poorer than Baltimore County, other counties in Maryland, and other cities with big school systems, has a much greater difficulty raising money for public education. With federal aid to public schools stagnated, any help for Maryland's poorer school districts will have to come from the state.

Maryland's current system of aid to public schools is flawed because it fails to provide sufficient funds and fails to distribute what it does provide in a sufficiently progressive fashion. Local districts in the state are forced to supply the majority of funding for their schools, leaving the poorer subdivisions at a disadvantage.

In the last decade, Baltimore City Public Schools have fallen further behind their state counterparts financially. While other districts have raised their levels of education

spending dramatically, the city is having a greater difficulty than ever raising education money.

Even assuming APEX is fully implemented in 1993, other factors will result in a further widening of the gap between the state's wealthy schools and poor schools. Taking into account expected local developments, Baltimore City will need to spend more money under APEX just to keep its schools in the same financial position relative to the rest of the state.

Under APEX, the state and local districts will be sharing 75 percent of the average per pupil expense in the state. State leaders claim the state can not afford to equalize 100 percent of actual costs. Yet other states, with less wealth than the extremely prosperous Maryland, are doing more to help local schools.

* * *

The quality of public education in Baltimore City is falling further behind its counterparts in Maryland. The city is growing financially weaker. The gap in per pupil spending is growing wider and will continue to worsen with or without APEX. The inequity which the state first focused on 10 years ago persists and threatens to grow worse.

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Introduction

It is a fact of life in Baltimore City that many children who start off economically disadvantaged end up as poverty-stricken adults parenting yet another generation of poor children. This cycle of poverty continues because poor children often start out with obvious disadvantages in addition to having little money. High among these is lower educational opportunity.

America founded public education, in part, to ensure that all its children, regardless of socioeconomic background, enjoyed the same opportunity to receive a high quality education. Most states, including Maryland, give financial aid to poorer subdivisions to make sure that less wealthy children receive the same quality of education as students in wealthier areas.

In recent years, many educators, lawmakers, and parents have questioned the fairness of the state's formulas for distributing public education funds. Their concern resulted in several task forces and funding reforms which sought to help Maryland's poorer school systems spend as much money per pupil as their wealthier neighbors.

This reports analyzes the effects of the reforms of the past decade on the comparative education spending between the various subdivisions, and projects into the future to determine whether the differences will increase or decrease by 1993 when the most recent education funding reform law, the Action Plan for Educational Excellence, will be fully implemented.

Is the performance of public education in Baltimore City equal to that in the rest of the Maryland?

Baltimore City Public Schools (BCPS), as an inner city school system, suffer from more problems than schools in any other jurisdiction in Maryland. Even within this context, however, student performance and behavior measurements reveal a startling gap between students in the city and elsewhere in the state.¹

Test scores in BCPS, while higher than several years ago, still lag behind those in the rest of the state. The results of the 1986-87 California Achievement Tests show BCPS between a half grade and two grade levels behind the rest of the state and even further behind Baltimore County.

1986-87 STATEWIDE ACHIEVEMENT TEST SCORES²

	<u>Reading</u>	<u>Language</u>	<u>Math</u>
<u>Third Grade</u>			
BCPS	2.9	3.1	3.2
Baltimore County	4.0	4.2	3.6
State Total	3.7	3.8	3.5
State Excluding BCPS	3.9	3.9	3.6
Differential between BCPS and Rest of State	-1.0	-0.8	-0.4
<u>Fifth Grade</u>			
BCPS	5.3	5.8	5.6
Baltimore County	6.5	8.1	6.2
State Total	6.1	7.3	6.0
State Excluding BCPS	6.2	7.6	6.1
Differential between BCPS and Rest of State	-0.9	-1.8	-0.5

1986-87 STATEWIDE ACHIEVEMENT TEST SCORES (Cont'd)

	<u>Reading</u>	<u>Language</u>	<u>Math</u>
<u>Eighth Grade</u>			
BCPS	8.4	8.9	8.8
Baltimore County	10.0	10.0	9.9
State Total	10.0	10.2	9.8
State Excluding BCPS	10.2	10.4	9.9
Differential between BCPS and Rest of State	-1.8	-1.5	-1.1

The nonpromotion rates in BCPS from 1984-85 through 1986-87 have been higher than those of any other Maryland school district and three to four times as high as the rates for the remainder of the state. Moreover, the disparity between nonpromotion rates in BCPS and those in the rest of the state is becoming wider each year as the chart below shows.

NONPROMOTION RATES³

	<u>1984-85</u>		<u>1985-86</u>		<u>1986-87</u>	
	<u>Grades</u>		<u>Grades</u>		<u>Grades</u>	
	<u>PreK-6</u>	<u>7-12</u>	<u>PreK-6</u>	<u>7-12</u>	<u>PreK-6</u>	<u>7-12</u>
BCPS	9.7%	19.5%	10.3%	17.9%	10.6%	18.8%
Baltimore County	3.4%	4.9%	3.2%	4.9%	2.8%	4.5%
State Total	4.2%	7.5%	4.0%	7.2%	3.8%	6.8%
State Excluding BCPS	2.8%	5.4%	2.6%	5.5%	2.3%	4.9%
BCPS as % of Rest of State	346.4%	361.1%	396.2%	325.5%	460.9%	383.7%

Beyond academic performance, other statistics raise questions as to not only the city schools' ability to teach, but also their ability to keep children in the classroom, day-to-day and year-by-year.

For the years 1984-85 through 1986-87, BCPS had the highest absenteeism rates of any school district in Maryland. Indeed, the city rates have been approximately twice as high as those in the rest of the state, as shown below.

ABSENTEEISM RATES

	1984-85		1985-86		1986-87	
	Grades		Grades		Grades	
	PreK-6	7-12	PreK-6	7-12	PreK-6	7-12
BCPS	10.8%	19.9%	10.2%	18.7%	10.2%	19.5%
Baltimore County	5.4%	7.2%	6.0%	7.7%	5.5%	7.4%
State Total	6.4%	9.9%	6.6%	9.9%	6.3%	9.9%
State Excluding BCPS	5.4%	8.1%	5.7%	8.3%	5.4%	8.3%

BCPS as % of Rest of State	200.0%	245.6%	178.4%	225.3%	188.8%	234.9%
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The dropout rate for BCPS during the past three years has been five to six times as high as the average rate for the remainder of the state. The gap has actually widened since 1984, as shown below.

DROPOUT RATES⁴

	1984-85		1985-86		1986-87	
	Number	Percent	Number	Percent	Number	Percent
BCPS	6,469	13.1%	7,380	16.2%	6,830	15.7%
Baltimore Co.	1,399	3.4%	1,105	2.8%	1,047	2.8%
State Total	13,228	4.0%	14,017	4.4%	13,551	4.4%
State Excluding BCPS	6,759	2.4%	6,637	2.4%	6,721	2.6%

BCPS as % of Rest of State	545.8%	675.0%	603.8%
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The city's high dropout rates lead inevitably to low graduation rates. In the city in recent years, only about half

of the students who started ninth grade graduated four years later. Once again, this discrepancy is growing wider, as shown below.

GRADUATION RATES

<u>Class of 1986</u>	<u>Graduates</u>	<u>Class Size In Ninth Grade</u>	<u>Percent Graduated</u>
BCPS	4,951	9,237	53.6%
Baltimore County	6,362	7,910	80.4%
State Total	46,700	59,906	78.0%
State Excluding BCPS	41,749	50,669	82.4%

# of % Points BCPS	
Fell Short of	
Rest of State	28.8%

<u>Class of 1987</u>			
BCPS	4,802	9,500	50.5%
Baltimore County	6,049	7,716	78.4%
State Total	46,107	60,299	76.5%
State Excluding BCPS	41,305	50,799	81.3%

# of % Points BCPS	
Fell Short of	
Rest of State	30.8%

<u>Class of 1988</u>			
BCPS	4,557	9,737	46.8%
Baltimore County	6,067	7,602	79.8%
State Total	46,848	61,969	75.6%
State Excluding BCPS	42,291	52,232	81.0%

# of % Points BCPS	
Fell Short of	
Rest of State	34.2%

Thus, the answer to the question posed in this section is "no." The performance of public education in Baltimore City is far below that of the rest of the state.

Do the Baltimore City Public Schools have the same amount of financial resources as are available to the other Maryland schools systems?

Per pupil expenditures show that Baltimore City schools have far less to spend on each of their students than is spent by almost every other school system in Maryland. The comparison with Baltimore County is particularly revealing, as indicated in the chart below.

COMPARISON OF RESOURCES IN BALTIMORE CITY
AND BALTIMORE COUNTY PUBLIC SCHOOLS, 1987-88⁵

	<u>Baltimore</u> <u>County</u>	<u>Baltimore</u> <u>City</u>	<u>Diff.</u>	<u>City as %</u> <u>of County</u>
Expenditure Per Pupil				
Total	\$5,106	\$3,864	\$1,242	76%
Current Expenses Only	4,943	3,640	1,303	74%
Current, Excl. Federal	4,150	2,859	1,291	69%

Of the state's 24 subdivisions, Baltimore City ranks twenty-second in dollars spent per pupil on current education expenses in 1986-87, excluding federal funds. Spending on city children was only 80 percent of the state average.

This gap in spending per pupil manifests itself in the number of teachers and support staff each school system is able to hire, in teachers salaries, in school supplies, and in the amount of computers and other educational aides a system is able to purchase.

The city has lower staffing levels than Baltimore County in the classrooms, libraries and counseling offices. For every 1,000 students in October, 1987, there were 76.2 professional

staff in the county schools but only 65.4 (86 percent) professional staff were on hand in the city schools.

COMPARISON OF STAFFING GUIDELINES
IN BALTIMORE CITY AND BALTIMORE COUNTY PUBLIC SCHOOLS, 1987-88⁶

	<u>Baltimore County</u>	<u>Baltimore City</u>
Class Size		
Kindergarten	23	25
1st Grade	22.8	28
2nd Grade	22.8	30
3rd Grade	22.8	32
4th & 5th Grades	24.8	35
Middle School	22.2	29
High School	22.2	30
Assistant Principals		
Middle School	2/school	1/400 pupils
High School	1.5/under 700	1/550 pupils
Guidance Counselors		
Elementary School	1/400 pupils	none
Middle School	1/350 pupils	1/400 pupils
High School	1/350 pupils	1/350 pupils
Librarians		
Elementary School	1/over 250	1/1,000-1,950
Middle School	1.5/under 900	1/1,000-1,950
High School	2/over 900	1.5/1,950-2,250
		2/over 2,250
		1.5/1,950-2,250
		2/over 2,250

In the county, most elementary schools have a full time librarian, as well as full time art, music, and physical education teachers. In city elementary schools, these staff cover more than one school, resulting in frequently closed libraries and little direct instruction in art, music, and physical education, all vital areas for expression among young children.

Not only do city schools have fewer teachers and support staff per student, they also are unable to pay these employees

the salaries equivalent to those paid by the county. This gap not only hurts BCPS efforts to recruit new high quality teachers, but also results in a growing loss of seasoned teachers to higher paying nearby counties.

The average salary in October of 1986 for all school based instructional staff in the city was \$27,202; while the average in the county was \$32,923, over \$5,700 more, as shown below.

AVERAGE SALARIES AND SALARY SCHEDULES⁷

	Balto. County	Balto. City	Diff.	City as % of County
<u>Avg. Salaries, Oct '86:</u>				
All Instruction	\$32,923	\$26,292	\$5,721	83%
Principals	48,079	45,14	32,936	94%
Asst. Principals	44,462	37,000	7,462	83%
Teachers	31,762	26,332	5,430	83%
Librarians	33,362	27,533	5,829	83%
Guidance	36,301	29,941	6,360	82%
Psychologists	41,634	23,683	17,951	57%
<u>Salary Schedules, 1988-89:</u>				
Teacher, 1st Yr, B.A.	\$21,840	\$19,000	\$2,840	87%
Teacher, 5th Yr, B.A.	24,336	20,188	4,148	83%
Teacher, 10th Yr, M.A.	32,960	25,045	7,915	76%
Teacher, 15th Yr, M.A.	37,068	34,661	2,407	94%
Teacher, 20th, M.A.+30h	40,713	37,041	3,672	91%
Teacher, 25th, M.A.+30h	42,733	38,102	4,631	89%

All professional instructional staff are entitled to pension benefits paid by the state. Moreover, these benefits are tied directly to their salary levels. Thus, city staff are penalized by the state with lower pensions on retirement because of their lower salaries, even though they have the same educational backgrounds and years of service.

COMPARISON OF BALTIMORE CITY AND BALTIMORE COUNTY PENSIONS
FOR TEACHERS WITH 27 YEARS OF EXPERIENCE, RETIRING IN 1988⁸

	<u>County</u>	<u>City</u>	<u>Diff</u>	<u>City as % of County</u>
<u>Salary Three Year Average:</u>				
1985-86 to 1987-88	\$36,074	\$32,326	\$3,748	90%
<u>Retirement Amount, Annual:</u>				
Old plan, 5% contrib.	\$17,709	\$15,869	\$1,840	90%
New plan, all state paid	\$11,453	\$ 9,936	\$1,517	87%

The city spends a significantly smaller amount of money than the county does on textbooks, library books, and other instructional supplies, which results in chronic shortages of textbooks and in sparse and aging libraries.

EXPENDITURES PER PUPIL FOR TEXTBOOKS, LIBRARY BOOKS
AND OTHER INSTRUCTIONAL SUPPLIES, 1986-87⁹

	<u>County</u>	<u>City</u>	<u>Difference</u>	<u>City as % of County</u>
Textbooks	\$32	\$23	\$ 9	72%
Library Books	7	3	4	43%
Supplies	58	32	26	55%
TOTAL	\$97	\$58	\$39	60%

Thus, there can be no doubt that the answer to the question posed at the start of this section is "no." Despite its heavy burden of disadvantaged and handicapped children, the Baltimore school system has fewer dollars per pupil to work with, fewer and lower-paid teachers and support staff, and fewer supplies. If Baltimore City had the extra \$1,242 per pupil that Baltimore County has, it would mean \$37,260 more to spend on the teacher, staff, books, and supplies for each class of 30 each year. The

money could also be used to pay for additional computers and tutors, expensive but useful educational tools.

Is there inequality in the ability of each jurisdiction to pay for education costs?

Given the large discrepancy in education funding per student in the jurisdictions, it seems natural to blame the local governments for inadequately funding their own schools. Yet, ever since state funding of education began, it was recognized that some districts had greater ability to pay for schools than others. Indeed, state aid for education since 1922 was distributed, in theory, to make sure that children did not suffer for living in poor school districts.

The best indicator of an area's ability to pay for education is the total wealth per student in each district. A subdivision with half the wealth per pupil would need to tax at twice the rate just to break even unless outside forces equalized the wealth disparity. An examination reveals a stark comparison between Baltimore City and Baltimore County.

Baltimore County's total taxable property wealth per pupil in 1986-87 was \$123,102; whereas Baltimore City's property wealth was \$56,511, less than half as much. As a result, a penny on the tax rate in the county could raise \$949,000 or \$12.31 per pupil; whereas, a penny on the city's rate could raise \$597,000 or \$5.65 per pupil. Taxable resources are outlined below:

TAXABLE RESOURCES, 1986-87
IN BALTIMORE CITY AND BALTIMORE COUNTY¹⁰

	<u>County</u>	<u>City</u>	<u>Diff.</u>
Assessed Value/Pupil	\$123,102	\$56,511	\$66,591
Assessed Value/Capita	14,136	7,877	6,259
Net Taxable Income/Pupil	92,517	40,309	52,208
Net Taxable Income/Capita	10,624	5,619	5,005

<u>City as % of County</u>
46%
56%
44%
53%

This comparison is highlighted when Baltimore City is compared with other jurisdictions in the state. In terms of property and income wealth per pupil, the city ranked twenty-first out of 24 school systems. Local taxable wealth to support the education of each city school child is only 60 percent of the state average. Even more indicative is the fact that of all urban school systems in the country with over 100,000 pupils, Baltimore City ranked thirteenth out of 14 in general revenue per pupil in 1984-85.

Thus, there can be no question but that Baltimore City has far fewer resources with which it can meet its educational needs than the rest of the state. If the funding per pupil is ever to be equalized, the money will have to come from non-local sources. Since federal aid to public education has stagnated in recent years, with no relief in sight, it is the state which will bear the principal burden to create a more equitable public education system.

Is there inequality in state funding for public education?

The Maryland Constitution, Article VIII, states, "The General Assembly...shall by law establish throughout the state a thorough and efficient system of free public schools and shall provide by taxation or otherwise for their maintenance."

In 1922 Maryland adopted one of the first equalization programs in the nation. The General Assembly prescribed a minimum educational program and a reasonable local property tax rate to finance it. Any county that could not raise enough money at that tax rate received state aid to fill the gap.

Although Baltimore City contributed more than half of the money filling the state's coffers in those days, the city did not receive any state public education assistance until the early 1960's. Thus, for the first four decades of state aid to public education, the city actually helped its less wealthy neighbors fund their school systems.

Since 1922 state aid to local public schools has grown to become a \$1.3 billion-a-year package, which includes substantial equalizing monies. As shown below, these equalizing funds--the basic foundation formula, compensatory aid fund, and special education formula--made up approximately half of state public education funding in 1986-87.

MARYLAND STATE AID TO PUBLIC EDUCATION, 1986-87¹¹

	<u>Amount</u>	<u>% of Current Expenses Aid</u>	<u>% of All Educ Aid</u>
A basic foundation formula	\$548.1	47.2%	40.9%
Compensatory aid formulas	49.5	4.3%	3.7%
A Special Education formula	81.8	7.0%	6.1%
Retirement and Social Security for Teachers	344.8	29.7%	25.7%
Transportation	113.4	9.8%	8.5%
Other Categorical Aid	<u>23.8</u>	<u>2.0%</u>	<u>1.8%</u>
Total Current Expense Aid	\$1,161.4	100.0%	86.6%
School Construction Debt	<u>180.3</u>	<u> </u>	<u>13.4%</u>
Total Education Aid	\$1,341.7	100.0%	100.0%

The basic foundation program is the backbone of the state's efforts to equalize school aid. Its principle is for the state and local governments to jointly provide equal dollars per pupil with equal local tax effort.

The Governor and the Maryland General Assembly set an amount per pupil, called the basic foundation, which they feel is necessary to pay for education costs. Each local government is required to make a local contribution towards this amount using a state-wide tax rate. The state then makes up the difference. Since this tax rate will not raise as much money per student in jurisdictions with low wealth per student, poorer districts receive a greater percentage of state aid.

The Maryland basic foundation level in 1988-89 is \$1,999 per pupil. Each district is required to raise education money at a rate of 0.58 percent of local taxable wealth. That rate raises only \$506 per pupil in Somerset County, and so the state will contribute the remaining \$1,493 per pupil to Somerset to make up

the \$1,999 total. Montgomery County on the other hand can raise c
\$1,644 per pupil at that rate; so the state will contribute only p
\$355 per pupil to Montgomery. (See Table 7.)

The state also funds a compensatory education program which p
provides an additional 25 percent of that \$1,999 for each s
disadvantaged child, that is, for each child from a low income or s
foster care family. These funds also are distributed on an c
equalizing basis, in reverse proportion to local taxable wealth s
per pupil. Baltimore City receives a large proportion of these a
funds since it is responsible for educating nearly half of the (l
state's disadvantaged children. (See Table 8.)

In addition, the state provides a special education program
for handicapped children which distributes funds on an equalized
basis.

There are three major flaws in the way the state distributes
public education funding which prevent state aid from truly
equalizing local ability to fund public schools.

First, the three equalizing programs constitute only half of
total state education funding. Another quarter of state
education aid is distributed irrespective of local wealth. The
remaining quarter goes disproportionately to wealthier districts.

The categorical programs which the state funds include
transportation and school construction aid. These funds are
distributed in a manner unrelated to local taxable wealth.
Transportation funds go primarily to rural school systems;

construction funds go primarily to school systems where population growth necessitates new schools.

Even more importantly, over \$300 million of state aid to public school systems goes to pay for the retirement and social security of teachers. These monies go disproportionately to the school systems that can afford more and better paid staff. Four of the five wealthiest districts are the largest recipients of state benefits aid per pupil. The four poorest subdivisions are among the five lowest recipients of state benefits aid per pupil. (See Table 6.)

This disequalizing form of funding acts to counteract the equalizing funding of the other three programs, particularly because the level of state funding for benefits has grown so large. As the chart below shows, the three corrective programs favor Baltimore City 40 percent above average. However, by the time teacher benefits are figured in, the city is only 18 percent over the norm.

INDEXING OF STATE PUBLIC EDUCATION AID

	<u>Current</u> <u>Expense</u>	<u>Index</u>	<u>Soc Sec</u> <u>& Ret.</u>	<u>Index</u>	<u>Combined</u>	<u>Index</u>
Maryland	\$918	100	\$618	100	\$1536	100
Baltimore County	652	71	786	127	1438	94
Baltimore City	1287	140	520	84	1807	118

The Maryland Commission of State Taxes and Tax Structure, headed by Robert Linowes, recently affirmed this paradox in its interim report. The Sun, in an editorial about the report, said,

constituted 39 percent of the total, much less than the nation's 49 percent; and federal spending, at 6 percent of the total, was the same proportion as nationwide.

Thus, despite state attempts at equalizing education funding levels, the net result is still a grossly inequitable scheme of distribution. The state is paying a lower percentage of education costs than other states. Only part of the money provided by the state acts in an equalizing capacity. And the state funding target level per student is far from realistic, leaving local districts to foot the difference.

A decade ago both the Circuit Court and the state Court of Appeals confirmed the existence of such an inequity but differed as to whether it violated the state constitution. In 1978 a legal challenge to the state education funding system was filed by Baltimore City and three rural counties. The suit, called Somerset vs. Hornbeck, charged that the significant funding disparities were contrary to the Maryland Constitution mandate that the state provide a thorough and efficient system of free public schools. Using 1978-79 data, the plaintiffs convinced the trial level Circuit Court Judge Ross that their claim was right. In his judgment,¹⁴ Judge Ross affirmed:

"Spending disparities among the subdivisions are large....The reality is that a child in the wealthiest subdivision has approximately twice the amount spent on his education as a child in the poorest subdivision....In sum, the present system of school financing is unconstitutional because it fails to provide a thorough and efficient system throughout the state and it fails to provide equal funding on a per pupil basis across the state and therefore, it must be overhauled."

However, the Ross Opinion was overturned by the Maryland Court of Appeals, which, while agreeing that huge educational disparities existed in Maryland, claimed that this was a matter for the legislature and not the courts.¹⁵

Has the inequality in public education funding grown larger or become smaller in the last decade?

Since the initiation of the suit in 1978, many factors have affected the levels of local, state, and federal funding for public education. It is important, therefore, to examine whether the disparity, accepted by both courts, has increased or decreased. Such an analysis, as listed below, reveals that Baltimore City, starting from a very weak position relative to Baltimore County, has actually lost ground.

COMPARISON OF DISPARITIES IN 1978-79 AND IN 1986-87
BETWEEN BALTIMORE COUNTY AND BALTIMORE CITY¹⁶

	<u>1978-79</u>	<u>1986-87</u>	<u>% Disparity Increase <Decrease></u>
Property & Income Wealth/Pupil:			
Baltimore County	\$79,284	\$182,520	
Baltimore City	\$38,215	\$84,66	
Disparity Ratio	2.1 to 1	2.2 to 1	+5%
Property Tax of \$2 per \$100 Raises (in millions):			
Baltimore County	\$104	\$190	
Baltimore City	\$69	\$119	
Disparity Ratio	1.5 to 1	1.6 to 1	+7%
Total Spending Per Pupil:			
Baltimore County	\$2,328	\$5,106	
Baltimore City	\$2,074	\$3,864	
Disparity Ratio	1.1 to 1	1.3 to 1	+18%

COMPARISON OF DISPARITIES IN 1978-79 AND IN 1986-87
BETWEEN BALTIMORE COUNTY AND BALTIMORE CITY (Cont'd)¹⁷

	<u>1978-79</u>	<u>1986-87</u>	<u>% Disparity Increase <Decrease></u>
Spending/Pupil for Current Expenses Excluding Federal:			
Baltimore County	\$2,163	\$4,150	
Baltimore City	\$1,632	\$2,859	
Disparity Ratio	1.3 to 1	1.5 to 1	+15%
School-Based Professional Staff Per 1,000 Pupils:			
Baltimore County	66.0	76.2	
Baltimore City	60.6	64.2	
Disparity Ratio	1.1 to 1	1.2 to 1	+9%
Average Teacher Salary:			
Baltimore County	\$18,519	\$31,769	
Baltimore City	\$13,916	\$26,332	
Disparity Ratio	1.3 to 1	1.2 to 1	<8%
Disadvantaged as a Percent of Enrollment:			
Baltimore County	8%	10%	
Baltimore City	39%	48%	
Disparity Ratio	0.2 to 1	0.2 to 1	0%

Within the entire state, wealth disparities have increased markedly since the time of the Somerset vs. Hornbeck court suit. The wealthier jurisdictions have grown wealthier, and they have used their increased prosperity to funnel more money into public schools. Poorer jurisdiction have barely maintained their ground.

COMPARISON OF DISPARITIES IN 1978-79 AND IN 1986-87
WITHIN MARYLAND¹⁸

	<u>1978-79</u>	<u>1986-87</u>	<u>% Disparity Increase <Decrease></u>
Property & Income Wealth/Pupil:			
Highest Ranking	\$125,537	\$281,640	
Lowest Ranking	\$37,172	\$75,334	
Disparity Ratio	3.4 to 1	3.7 to 1	+9%
Property Tax of \$2 per \$100			
Raises (in millions):			
Highest Ranking	\$11,099	\$286,218	
Lowest Ranking	\$24,240	\$51,461	
Disparity Ratio	4.5 to 1	5.6 to 1	+24%
Total Spending Per Pupil:			
Highest Ranking	\$2,742	\$5,961	
Lowest Ranking	\$1,635	\$3,518	
Disparity Ratio	1.68 to 1	1.69 to 1	+0.6%
Spending/Pupil for Current			
Expenses Excluding Federal:			
Highest Ranking	\$2,424	\$4,803	
Lowest Ranking	\$1,383	\$2,779	
Disparity Ratio	1.75 to 1	1.73 to 1	<1.2%>

Spending disparities have remained about the same, with about 70 percent more spending in the wealthiest district than in the lowest. However, the disparity in total dollars spent per pupil has increased from a \$1,107 difference in 1978-79 to a \$2,024 gap in 1986-87. It is also important to note that the disparity between Baltimore City and County, the city's principal competition for teachers and middle class students, has increased by substantial margins.

Will the inequality grow or shrink in the next few years?

After the appeal of the Somerset v. Hornbeck suit, the Governor appointed a task force, chaired by former U.S. Attorney General Benjamin Civiletti, to examine the state's system for distributing public education money. The task force's recommendations addressed one the major flaws in the system--the unrealistic nature of the basic foundation. The group concluded in 1983 that the foundation equalization level per pupil should be high enough to buy an "excellent fundamental education" for each child.

Unfortunately, the phrase excellent fundamental education has been difficult to interpret. The task force assumed that whatever the average jurisdiction was spending per pupil on current expenses for public education should serve as the funding level to aim for. But the members also decided the state could not afford to equalize 100 percent of that average. So they settled on a recommendation, so called "3A," for a basic foundation program which will have the state and the local governments sharing in an equalizing manner 75 percent of average spending per pupil along with a compensatory program that equalizes 25 percent of the foundation level for each disadvantaged child.

The Civiletti 3A recommendation finally was funded fully when the General Assembly enacted Governor Schaefer's Action Plan for Educational Excellence (APEX). APEX provides by 1993 a foundation program at 75 percent of the average current expenses

per pupil, with a compensatory aid program which equalizes 25 percent of the foundation level for each disadvantaged child. The foundation level is to be calculated from the latest two years of audited data available a year earlier. The Fiscal Services Department of the Maryland General Assembly estimates that for 1993 it will be \$2,884 per pupil, which is 75 percent of the average basic current expenses projected for 1989 (based on current state law and appropriated local funds) and 1990, (assuming current state law and 7.9 percent growth in local appropriations for basic costs).

Although APEX will result in substantial increases in state aid for public education, it is critical to examine whether these additional monies will actually reduce the increasingly large disparity between poor and wealthy school districts. According to estimates, listed below, the disparity will actually increase in the upcoming years.

PROJECTION OF STATE AID TO PUBLIC EDUCATION UNDER APEX¹⁹

<u>Fiscal Year</u>	<u>Projected Per Pupil Basic Costs</u>	<u>Foundation Per Pupil Under APEX</u>	<u>Gap</u>
1988	\$3420	\$1846	\$1574
1989	3716	1999	1717
1990	3975	2168	1787
1991	4233	2352	1881
1992	4482	2550	1932
1993	4818	2884	1934

This chart shows that the amount of money per pupil that local governments will need to spend on schools to maintain an average state system will actually go up from \$1,574 to \$1,934 under APEX, an increase of \$360 or 22.9 percent. Indeed, as long as total funding increases for public schools rise each year, this gap will always grow because APEX relies on "old" numbers on which to calculate its current funding.

Even more importantly, these numbers actually reflect a best-case scenario. Several factors, which are likely to occur, will actually make this gap even larger. First, the State Legislature might actually back off from full funding of APEX. Even now, funding for public schools is below the target necessary to bring state aid smoothly up to the goal of matching gaps in local systems' ability to pay the 75 percent of the basic foundation. For full implementation of APEX, the state will need to increase its public schools budget by \$146.0 million in 1993 unless action is taken now to catch up.

The General Assembly is already considering alternatives to such a large increase in funding in one year, most of which entail scaling back or delaying complete implementation of APEX. If these delaying alternatives are passed, local jurisdictions will pay the price, and the gap between poor and wealthy school systems will grow even more than projected. Since the poorer jurisdictions will have a tougher time meeting this discrepancy they will continue to fall even further behind the wealthier school systems.

Second, these numbers do not take into account local variations in education spending which will no doubt occur. Thus, if the wealthier counties, through faster economic growth or greater ability to raise taxes, are able to raise funding per pupil at higher rates than the state average, the poorer jurisdictions, which will be unable to keep up, will fall further behind.

APEX will result in the state picking up a greater percentage of the public education pie than now. Yet, even assuming the package is not scaled back or delayed, and even assuming there are no local variations in education spending, the poorer jurisdictions under APEX will still need to raise even more money than before to bring their systems up to an average state funding level. Thus, the gap which has increased in the last ten years will continue to increase in the next five.

Conclusion:

Baltimore City Public Schools have far less money with which they must do far more than the other school systems in Maryland. The funding figures are a matter of fact. So are the statistics which show that 48 percent of Baltimore school children are considered disadvantaged by the federal government. In fact, the city has nearly half of all disadvantaged children in the state. Nearly one child in five in city schools is classified as handicapped, the second highest percentage in the state.²⁰

The facts also speak to the high degree of economic wealth in this state. Maryland ranks seventh in the United States in

per capita income. Meanwhile, the state is forty-third in elementary and secondary education spending as a percentage of personal income.²¹

Despite state leaders' claims that they can not afford to equalize 100 percent of school expenses (the ultimate extension of the Civiletti recommendation), other states with less wealth are doing more to help school districts than Maryland is.

At the very least, a state as wealthy as Maryland possesses the financial ability to help poorer school systems enough to prevent them from falling further behind their wealthier neighbors. Yet Baltimore City schools are not only far worse off financially than those in the rest of Maryland, they have fallen further behind since 1979, and they will be even further back in 1993.

The Governor's Action Plan for Educational Excellence, the most recent public education reform to be passed into law, will be unable to counteract this disequalizing trend. Equalization efforts are being overtaken by escalated local spending in the wealthier counties, by the increasing amounts of state aid allocated on a nonequalized basis, and because the city's growth in per pupil wealth continues to decline relative to the growth in per pupil wealth in the rest of the state.

Even when APEX is fully implemented in Fiscal Year 1993 and notwithstanding the 75 percent equalization target, the state will be equalizing well below 50 percent of total public education expenses. Even when APEX is fully implemented, the

percentage of state general fund revenue spent on public education will be lower than before APEX and far lower than before the Civiletti task force.

Few people believe that additional money will completely resolve the seemingly intractable problems of Baltimore City schools. Still, it does seem unlikely, and even unfair, to expect the city to teach effectively almost half of the state's disadvantaged youths with significantly less money per student than is provided to educate children from less deprived backgrounds in the wealthier subdivisions.

Baltimore City schools are beginning to attract some national attention with their experimental programs to fight the scourge of dropouts, to reduce the numbers of teenage pregnancies, and to expose students to computers at an earlier age. Yet these experiments cost money. Future experiments will cost future dollars. And should, as is hoped, any of these experiments prove successful, the school will need money to implement the strategies on a system-wide basis.

An inequality exists in public education in this state. The economically disadvantaged, who already face many obstacles on the road to success, must also face the hurdle of poorer quality schools. The political jurisdictions with the highest concentration of poor children, and therefore the greatest need for a high quality public school system, have the least ability to pay for that education.

In the United States, education has served as a powerful tool for economic mobility, a fundamental component of a stable society. For education to reassert itself in this capacity, poorer jurisdictions need equal resources. The current inequity will prove costly for Baltimore City, for Maryland, and for the entire country.

Footnotes

1. Performance data is provided by the Maryland State Department of Education (MSDE).
2. High levels of dropping out, absenteeism, and nonpromotion affect test score averages. Especially at secondary grade levels, many of the students who are experiencing the most serious educational problems never take tests, because they either drop out of school or are absent. Also, high nonpromotion rates may inflate test scores at some levels, since large numbers of children take the tests several times.

Test scores also may be affected by curriculum and teaching methods. These may raise scores dramatically but at the price of leaving out much of the general information and skills that normally have been taught in a course, but are not tested directly. The pressure for higher test scores has led some teachers and school districts to focus courses narrowly on areas ordinarily tested and on test taking skills. It is uncertain to what extent school systems and their teachers have sacrificed the quality of the well-rounded education in an effort to achieve test score improvements.

3. Nonpromotion rates can be viewed in different ways. From one perspective, a school system that refuses to promote a significant number of students to the next grade level may be viewed as holding students to high standards that in the long run will improve student performance. On the other hand, it may be argued that consistently high nonpromotion rates at all grade levels indicate educational deficiencies in the schools. In fact, recent studies demonstrate that students who are held back in grade two or more times during their school careers have extremely high dropout rates (e.g. study done by BCPS for The Futures Project, 10/89).
4. The figures do not include students who withdrew from school for reasons of illness, marriage, employment, or military service. They include only those students in grades seven through 12 who were considered to be incompatible with school or who withdrew for undetermined reasons.
5. Data provided by MSDE.
6. Staffing ratios provided by MSDE; staffing guidelines provided by BCPS and Baltimore County Public Schools respectively in their budget requests for 1988-89.

latter \$524. The disequalizing effect of categorical aid is obvious." (pages 11 and 12)

15. Writing for the Appeals Court, Chief Judge Murphy says:

"[T]he issue in cases challenging the constitutionality of the state public school finance system is not whether education is of primary rank in the hierarchy of societal values, for all recognize and support the principle that it is. Nor is the issue whether there are great disparities in educational opportunities among the state's school districts, for the existence of this state of affairs is widely recognized." (page 97)

"The expostulations of those urging alleviation of the existing disparities are properly to be addressed to the legislature for its consideration and weighing in the discharge of its continuing obligations to provide a thorough and efficient statewide system of free public schools.... The quantity and quality of educational opportunities to be made available to the state's public school children is a determination committed to the legislature or to the people of Maryland." (page 98)

16. Data provided by MSDE.
17. Data provided by MSDE.
18. Data provided by MSDE.
19. "Evaluation of Action Plan for Educational Excellence: House Bill 247 (1987)," Department of Fiscal Services, October 1988, p. 6.
20. See Tables 1, 2, 4, and 5.
21. Maryland State Department of Education Fact Book.

Table 1

CURRENT EXPENSES EXCLUDING FEDERAL FUNDS, PER PUPIL
AND PROPERTY AND INCOME WEALTH PER PUPIL, STATE OF MARYLAND, 1986-87

	Enrollment =====	Expenses Per Pupil =====	Current Expenses Rank =====	Expenses as % of State Average =====	Wealth Per Pupil =====	Wealth Rank =====	Wealth as % of State Average =====
STATE	646,858	\$3,583		100%	\$152,233		100%
Montgomery	90,813	\$4,803	1	134%	\$257,093	2	169%
Baltimore County	77,120	\$4,150	2	116%	\$200,368	4	132%
Howard	24,881	\$4,066	3	113%	\$179,567	5	118%
Worcester	4,943	\$3,861	4	108%	\$321,797	1	211%
Prince George's	99,146	\$3,622	5	101%	\$139,271	10	91%
Kent	2,246	\$3,616	6	101%	\$146,285	8	96%
Queen Anne's	4,607	\$3,494	7	98%	\$143,436	9	94%
Anne Arundel	61,472	\$3,468	8	97%	\$149,142	7	98%
Calvert	8,172	\$3,335	9	93%	\$170,887	6	112%
Washington	16,609	\$3,239	10	90%	\$112,389	14	74%
St. Mary's	11,026	\$3,229	11	90%	\$105,298	18	69%
Talbot	3,583	\$3,184	12	89%	\$239,634	3	157%
Charles	16,304	\$3,120	13	87%	\$113,415	13	75%
Dorchester	4,747	\$3,087	14	86%	\$107,522	17	71%
Frederick	23,480	\$3,086	15	86%	\$114,434	12	75%
Harford	27,127	\$3,076	16	86%	\$110,705	15	73%
Wicomico	11,095	\$3,053	17	85%	\$108,140	16	71%
Decil	11,500	\$3,007	18	84%	\$93,076	20	61%
Carroll	18,706	\$2,998	19	84%	\$114,950	11	76%
Allegany	11,077	\$2,971	20	83%	\$99,944	19	66%
Garrett	5,027	\$2,872	21	80%	\$91,054	22	60%
Baltimore City	105,588	\$2,859	22	80%	\$91,943	21	60%
Somerset	3,271	\$2,818	23	79%	\$81,094	24	53%
Caroline	4,320	\$2,779	24	78%	\$82,043	23	54%

Ratio of highest spending district to lowest spending district: 1.7 to 1
Ratio of highest wealth district to lowest wealth district: 4.0 to 1

Sources: Enrollment: Selected Financial Data, I, Table 11, MSOE
Current Expenses Excluding Federal Funds, per Pupil: Selected Financial Data, III
Table S, MSOE
Property and Income Wealth per Pupil: The Fact Book, 1987-88, pp. 22-23, MSOE

Table 2

DISADVANTAGED AND HANDICAPPED CHILDREN, MARYLAND PUBLIC SCHOOLS, 1986-87

	Number Disadvantaged Children	Disadvantaged as Percent of Enrollment	Disadvantaged Percentage Rank	Number Handicapped Children	Handicapped as Percent of Enrollment	Handicapped Percentage Rank
STATE	107,666	16.62		90,606	14.02	
Baltimore City	50,651	48.22	1	19,034	18.02	2
Dorchester	1,125	23.72	2	713	15.02	9
Garrett	1,058	21.02	3	774	15.42	8
Somerset	657	20.12	4	559	17.12	4
Allegany	2,116	19.12	5	1,448	13.12	13
Kent	420	18.72	6	294	13.12	13
Worcester	906	18.32	7	549	11.12	22
Wicomico	1,942	17.52	8	1,372	12.42	17
Washington	2,907	17.52	8	2,975	17.92	3
St. Mary's	1,822	16.52	10	1,847	16.82	5
Talbot	592	16.52	10	391	10.92	23
Caroline	647	15.02	12	931	21.82	1
Calvert	1,164	14.22	13	977	12.02	19
Queen Anne's	804	13.12	14	498	10.82	24
Charles	2,097	12.92	15	2,614	16.02	6
Cecil	1,334	11.62	16	1,498	13.02	15
Prince George's	11,050	11.12	17	11,330	11.42	21
Harford	2,994	11.02	18	3,634	13.42	11
Baltimore County	7,920	10.32	19	9,514	12.32	18
Anne Arundel	6,154	10.02	20	8,130	13.22	12
Frederick	1,663	7.12	21	3,710	15.82	7
Carroll	1,136	6.12	22	2,640	14.12	10
Montgomery	5,409	6.02	23	10,793	11.92	20
Howard	1,092	4.42	24	3,217	12.92	16

Sources: Number of Disadvantaged Children: Selected Financial Data, I, Table 10, MSDE
Number of Handicapped Children: The Fact Book, 1987-88, p. 28, MSDE
Enrollment: Selected Financial Data, I, Table 11, MSDE

Table 3

ALL GENERAL REVENUE AND STATE GENERAL REVENUE
PER PUPIL IN LARGE CITY SCHOOL DISTRICTS, 1984-85
Including all city districts with over 100,000 pupils

	Enrollment =====	General Revenue Per Pupil =====	Rank of Gen'l Rev Per Pupil =====	Gen'l Rev as Percent of City Av =====	Gen'l Rev from State Per Pupil =====	Rank of State Rev Per Pupil =====	State Rev as Percent of City Av =====
CITY AVERAGE	3,131,292	\$4,041		100%	\$2,020		100%
Boston	55,520	\$5,837	1	144%	\$3,002	1	149%
Cleveland	74,370	\$5,156	2	128%	\$2,434	3	121%
New York	930,420	\$4,520	3	112%	\$1,883	7	93%
D. C.	88,843	\$4,353	4	108%	NA	NA	NA
Philadelphia	197,945	\$4,333	5	107%	\$2,080	4	103%
Dade Cnty (Miami)	228,062	\$4,149	6	103%	\$2,042	5	101%
Atlanta	67,278	\$3,939	7	97%	\$1,652	9	82%
Los Angeles	553,953	\$3,784	8	94%	\$2,859	2	142%
Chicago	431,226	\$3,715	9	92%	\$1,851	8	92%
Dallas	127,908	\$3,570	10	88%	\$1,153	12	57%
Detroit	206,790	\$3,459	11	86%	\$1,902	6	94%
Norfolk	35,527	\$3,458	12	86%	\$1,502	10	74%
Baltimore City	113,574	\$2,956	13	73%	\$1,473	11	73%
Memphis	108,719	\$2,555	14	63%	\$863	13	43%

NOTE: City school districts are listed in rank order of general revenue per pupil.

Data is derived from, "Finances of Public School Systems in 1984-85", Bureau of the Census,
U.S. Department of Commerce.

Table 4

CHILDREN LIVING BELOW THE POVERTY LEVEL
IN LARGE CITY SCHOOL DISTRICTS, 1980-81

	Number Poor Children Aged 5-17 =====	Fall Enrollment 1980-81 =====	Number Poor Children as % of Enroll =====	Percent Poor Children Ranking =====
CITY AVERAGE	1,179,041	3,217,783	36.6%	
Philadelphia	94,286	193,750	48.7%	1
Atlanta	31,373	66,854	46.9%	2
Cleveland	33,914	73,699	46.0%	3
Boston	26,337	58,000	45.4%	4
Baltimore City	49,234	111,657	44.1%	5
Detroit	80,441	184,258	43.7%	6
Chicago	182,280	430,908	42.3%	7
New York	391,150	930,000	42.1%	8
Memphis	42,742	107,225	39.9%	9
Norfolk	12,760	35,375	36.1%	10
D. C.	27,852	84,858	32.8%	11
Dallas	34,647	130,795	26.5%	12
Dade County (Miami)	54,108	236,227	22.9%	13
Los Angeles	117,917	574,177	20.5%	14

NOTE: City school districts are listed in rank order of percentage of poor children.
Data is derived from Bureau of the Census, 1980, and the Council of Great City Schools.

Table 5

PROPERTY & INCOME WEALTH PER PUPIL, STATE AID FOR SOCIAL SECURITY AND RETIREMENT
PER PUPIL, AND TOTAL STATE AID PER PUPIL, MARYLAND PUBLIC SCHOOLS, 1986-87

	Wealth Per Pupil =====	Wealth Rank =====	Benefits Aid Per Pupil =====	Benefits Rank =====	Total State Aid Per Pupil =====	State Aid Rank =====
STATE	\$152,233		\$561		\$1,919	
Worcester	\$321,797	1	\$630	3	\$1,368	23
Montgomery	\$257,093	2	\$744	1	\$1,495	22
Talbot	\$239,634	3	\$510	10	\$1,283	24
Baltimore County	\$200,368	4	\$688	2	\$1,699	19
Howard	\$179,567	5	\$582	4	\$1,670	20
Calvert	\$170,887	6	\$498	12	\$1,566	21
Anne Arundel	\$149,142	7	\$550	6	\$1,820	18
Kent	\$146,285	8	\$523	8	\$2,086	9
Queen Anne's	\$143,436	9	\$528	7	\$1,877	16
Prince George's	\$139,271	10	\$562	5	\$2,009	12
Carroll	\$114,950	11	\$471	16	\$2,018	11
Frederick	\$114,434	12	\$476	13	\$1,871	17
Charles	\$113,415	13	\$450	21	\$2,297	3
Washington	\$112,389	14	\$521	9	\$2,009	12
Harford	\$110,705	15	\$473	15	\$1,955	15
Wicomico	\$108,140	16	\$500	11	\$1,969	14
Dorchester	\$107,522	17	\$475	14	\$2,153	6
St. Mary's	\$105,298	18	\$468	18	\$2,105	8
Allegany	\$99,944	19	\$469	17	\$2,106	7
Cecil	\$93,076	20	\$461	19	\$2,028	10
Baltimore City	\$91,943	21	\$455	20	\$2,341	2
Garrett	\$91,054	22	\$444	22	\$2,648	1
Caroline	\$82,043	23	\$434	24	\$2,160	5
Somerset	\$81,094	24	\$443	23	\$2,221	4
=====						

Sources: Property & Income Wealth Per Pupil: The Fact Book, 1987-88,
pp. 22 & 23, MSDE

State Share of Teachers' Retirement and Social Security Per Pupil,
Selected Financial Data, III, Table 2, MSDE

MSDE

Table 6

BASIC CURRENT EXPENSE FORMULA AID
F.Y. 1989

COUNTY	FTE ENROLLMENT 9/30/87	BASIC PROGRAM \$1999 TIMES ENROLLMENT	WEALTH BASE (000)	LOCAL SHARE \$1999 PROGRAM	STATE AID F.Y. 1989 PROGRAM	PER PUPIL STATE AID F.Y. 1989	STATE AID PRIOR YEAR \$1846 PROGRAM	DIFFERENCE OVER PRIOR YEAR	PER PUPIL DIFFERENCE
ALLEGANY	10,873.50	21,736.127	1,140,576	6,606,330	15,129,797	1,391	13,929,341	1,200,456	130
ANNE ARUNDEL	61,844.75	123,627.655	10,190,875	59,026,565	64,601,090	1,045	59,794,419	4,806,671	73
BALTIMORE CITY	101,402.50	202,703.598	10,266,609	59,465,225	143,238,373	1,413	134,609,108	8,629,265	106
BALTIMORE	77,076.25	154,075.424	16,947,260	98,160,227	55,915,197	725	51,389,550	4,525,647	53
CALVERT	8,531.50	17,054.469	1,563,951	9,058,561	7,995,908	937	6,802,907	1,193,001	92
CAROLINE	4,191.50	8,378.809	373,244	2,161,867	6,216,942	1,483	5,699,803	517,139	118
CARROLL	19,669.25	39,318.324	2,474,324	14,331,837	24,987,299	1,270	22,514,721	2,472,578	97
CECIL	11,616.50	23,221.384	1,187,598	6,878,684	16,342,699	1,407	15,092,620	1,250,079	106
CHARLES	16,915.50	33,814.085	2,099,365	12,159,734	21,654,350	1,280	19,552,834	2,101,516	98
DORCHESTER	4,617.00	9,229.323	535,483	3,101,572	6,127,811	1,327	5,606,340	521,471	111
FREDERICK	24,153.50	48,282,847	3,047,893	17,653,700	30,629,147	1,268	27,712,903	2,916,244	92
GARRETT	5,061.25	10,117.439	492,446	2,852,299	7,265,140	1,435	6,624,019	641,121	122
HARFORD	27,372.25	54,717,128	3,311,706	19,181,735	35,535,393	1,298	32,034,436	3,500,957	101
HOWARD	25,544.25	51,062,956	5,002,244	28,973,498	22,089,458	865	19,538,117	2,551,341	71
KENT	2,224.00	4,445,776	371,825	2,153,650	2,292,126	1,031	2,228,816	63,310	42
MONTGOMERY	90,994.00	181,897,006	25,820,153	149,552,911	32,344,095	355	30,430,003	1,914,092	15
PRINCE GEORGE'S	99,660.75	199,221,839	14,930,980	86,481,728	112,740,111	1,131	101,949,909	10,790,202	101
QUEEN ANNE'S	4,805.50	9,606,195	768,118	4,449,019	5,157,175	1,073	4,634,954	522,221	67
ST. MARY'S	11,069.50	22,127,931	1,262,583	7,313,589	14,814,342	1,338	13,244,161	1,570,181	109
SOMERSET	3,143.50	6,283,857	274,576	1,590,373	4,693,484	1,493	4,293,789	399,695	122
TALBOT	3,626.00	7,248,374	1,005,110	5,821,698	1,426,676	393	1,595,451	-168,775	-49
WASHINGTON	16,467.00	32,917,533	1,998,687	11,576,594	21,340,939	1,296	19,550,476	1,790,463	108
WICOMICO	11,176.50	22,341,824	1,313,998	7,610,808	14,731,015	1,318	13,332,702	1,398,313	105
WORCESTER	4,975.50	9,946,025	1,784,753	10,337,465	298,530	60	294,090	4,440	0
	647,011.75	1,293,376.488	108,164,457	626,499,363	667,567,096	1,032	612,455,469	55,111,627	77

LOCAL CONTRIBUTION RATE = 0.0057921

PREPARED BY THE DEPARTMENT OF FISCAL SERVICES FEBRUARY 10, 1988 .

Aid distribution based on September 30th full-time equivalent enrollment as reported by the Maryland State Department of Education and county wealth. Wealth is the sum of state purposes real property assessable base, public utility operating property, 50% county purposes personal property, and net taxable income. The wealth data is reported by the Income Tax Division and the Maryland State Department of Assessments and Taxation. The state shares in 55% of \$624 and 50% of \$1375 per pupil. Per student aid is inversely related to per student wealth.

There is a minimum grant of \$60 per student.

COMPENSATORY AID PROGRAM
F.Y. 1989

COUNTY	CHAPTER I ENROLLMENT 1988	\$ 499 TIMES CHAPTER I ENROLLMENT	WEALTH BASE (000)	WEALTH PER PUPIL FACTOR	FINAL AID DISTRIBUTION	AID PER FTE F.Y. 1989	STATE AID PRIOR YEAR \$ 461 PROGRAM	DIFFERENCE OVER PRIOR YEAR	DIFFERENCE PER FTE
ALLEGANY	2,175	1,085,325	1,140,576	.6274547	1,266,336	116	1,087,754	178,582	18
ANNE ARUNDEL	6,192	3,089,808	10,190,875	.9856832	2,294,911	37	2,139,146	155,765	2
BALTIMORE CITY	50,729	25,313,771	10,266,609	.6056273	30,600,115	302	28,358,278	2,241,837	27
BALTIMORE	7,798	3,891,202	16,947,260	1.3152472	2,165,948	28	2,010,171	155,777	2
CALVERT	1,173	585,327	1,563,951	1.0965428	390,791	46	353,499	37,292	2
CAROLINE	648	323,352	373,244	.5326620	444,422	106	408,010	36,412	8
CARROLL	1,140	568,860	2,474,324	.7524850	553,451	28	507,598	45,853	2
CECIL	1,336	666,664	1,187,598	.6115373	798,097	69	749,723	48,374	4
CHARLES	2,076	1,035,924	2,099,365	.7423879	1,021,571	60	949,473	72,098	3
DORCHESTER	1,115	556,385	535,483	.6937683	587,128	127	527,817	59,311	13
FREDERICK	1,677	836,823	3,047,893	.7548239	811,633	34	751,555	60,078	2
GARRETT	1,019	508,481	492,446	.5820054	639,616	126	589,343	50,273	9
HARFORD	3,063	1,528,437	3,311,706	.7237188	1,546,142	56	1,404,414	141,728	4
HOWARD	1,106	551,894	5,002,244	1.1713863	344,927	14	314,615	30,312	1
KENT	420	209,580	371,825	1.0000753	153,422	69	147,155	6,267	4
MONTGOMERY	5,546	2,767,454	25,820,153	1.6973608	1,193,652	13	1,098,716	94,936	1
PRINCE GEORGE'S	11,008	5,492,992	14,930,980	.8961724	4,487,341	45	4,056,440	430,901	4
QUEEN ANNE'S	610	304,390	768,118	.9561334	233,068	49	217,577	15,491	2
ST. MARY'S	1,802	899,198	1,262,683	.6823312	964,788	87	884,744	80,044	5
SOMERSET	655	326,845	274,576	.5224871	457,971	146	415,960	42,011	13
TALBOT	591	294,909	1,005,110	1.6581086	130,211	36	125,291	4,920	1
WASHINGTON	2,919	1,456,581	1,998,687	.7260338	1,468,755	89	1,323,802	144,953	9
WICOMICO	1,925	960,575	1,313,998	.7032613	999,968	89	925,306	74,662	5
WORCESTER	911	454,589	1,784,753	2.1456983	155,104	31	146,113	8,991	1
	107,634	53,709,366	108,164,457		53,709,368	83	49,492,500	4,216,868	6

REDUCING FACTOR = 0.7321021

PREPARED BY THE DEPARTMENT OF FISCAL SERVICES FEBRUARY 10, 1988

Initial aid distribution based on 1988 federal Chapter I eligible counts. The initial distribution is adjusted by a wealth per pupil factor. Each county's wealth factor is derived by dividing county wealth per FTE student by the Statewide wealth per FTE. This factor is then divided into the county's initial distribution. A reducing factor is used to adjust the Statewide total cost of the aid distribution with the initial program cost. The wealth and FTE enrollment are those used in calculation of F.Y. 1989 current expense formula aid.

Table 8

REVENUE FOR PUBLIC ELEMENTARY AND SECONDARY EDUCATION, PER PUPIL, 1984-85

	Total Revenue Per Pupil	Total Revenue Per Pupil Rank	Total/Pupil as % of U.S. Average	State Revenue Per Pupil	State Revenue Per Pupil Rank	State/Pupil as % of U.S. Average
UNITED STATES	\$3,496		100%	\$1,705		100%
Alaska	\$7,072	1	202%	\$5,058	1	297%
Wyoming	\$6,154	2	176%	\$2,330	6	137%
New York	\$5,025	3	144%	\$2,073	9	122%
New Jersey	\$4,887	4	140%	\$1,990	10	117%
Connecticut	\$4,501	5	129%	\$1,875	16	110%
D. C.	\$4,481	6	128%	—	—	—
Pennsylvania	\$4,298	7	123%	\$1,976	12	116%
Colorado	\$4,088	8	117%	\$1,617	25	95%
Delaware	\$4,082	9	117%	\$2,819	4	165%
Massachusetts	\$4,064	10	116%	\$1,698	19	100%
Montana	\$3,986	11	114%	\$1,987	11	117%
Oregon	\$3,938	12	113%	\$1,094	43	64%
Rhode Island	\$3,922	13	112%	\$1,577	27	92%
Maryland	\$3,916	14	112%	\$1,543	29	91%
Minnesota	\$3,855	15	110%	\$2,148	8	126%
Washington	\$3,822	16	109%	\$2,835	3	166%
Kansas	\$3,816	17	109%	\$1,666	23	98%
Wisconsin	\$3,760	18	108%	\$1,431	34	84%
Michigan	\$3,736	19	107%	\$1,258	39	74%
Vermont	\$3,628	20	104%	\$1,150	41	67%
Texas	\$3,546	21	101%	\$1,670	22	98%
Florida	\$3,501	22	100%	\$1,904	15	112%
California	\$3,402	23	97%	\$2,298	7	135%
North Dakota	\$3,401	24	97%	\$1,760	17	103%
New Mexico	\$3,396	25	97%	\$2,547	5	149%
Nebraska	\$3,381	26	97%	\$850	48	50%
Iowa	\$3,348	27	96%	\$1,481	33	87%
Indiana	\$3,325	28	95%	\$1,954	14	115%
Virginia	\$3,317	29	95%	\$1,075	46	63%
Ohio	\$3,311	30	95%	\$1,495	32	88%
Hawaii	\$3,251	31	93%	\$2,894	2	170%
New Hampshire	\$3,074	32	88%	\$154	50	9%
Maine	\$3,039	33	87%	\$1,508	30	88%
South Dakota	\$3,029	34	87%	\$779	49	46%
West Virginia	\$2,990	35	86%	\$1,974	13	116%
Louisiana	\$2,987	36	85%	\$1,610	26	94%
Arizona	\$2,980	37	85%	\$1,750	18	103%
Illinois	\$2,971	38	85%	\$1,081	44	63%
South Carolina	\$2,903	39	83%	\$1,696	20	99%
Missouri	\$2,846	40	81%	\$1,095	42	64%
Georgia	\$2,685	41	77%	\$1,498	31	88%
Utah	\$2,680	42	77%	\$1,387	36	81%
Nevada	\$2,680	43	77%	\$1,080	45	63%
North Carolina	\$2,587	44	74%	\$1,672	21	98%
Oklahoma	\$2,567	45	73%	\$1,552	28	91%
Alabama	\$2,510	46	72%	\$1,653	24	97%
Arkansas	\$2,350	47	67%	\$1,307	38	77%
Idaho	\$2,306	48	66%	\$1,315	37	77%
Kentucky	\$2,214	49	63%	\$1,410	35	83%
Tennessee	\$2,126	50	61%	\$901	47	53%
Mississippi	\$2,027	51	58%	\$1,201	40	70%

Source: Digest of Education Statistics, 1987, U.S. Office of Education, pp. 42 and 108.

Table 9

STATE REVENUE FOR PUBLIC SCHOOL SYSTEMS
IN RELATION TO THE DISPOSABLE PERSONAL INCOME IN EACH STATE, 1985

	Personal Income, Millions	State Revenue Public Schools Thousands	Revenue Per Thousand Income	State Rank	Percent of U.S. Average
UNITED STATES	\$2,835,626	\$66,983,340	\$23.62		100%
Alaska	\$8,361	\$529,071	\$63.28	1	268%
New Mexico	\$14,099	\$693,888	\$49.22	2	208%
Wyoming	\$5,504	\$235,923	\$42.86	3	181%
West Virginia	\$17,026	\$716,579	\$42.09	4	178%
Montana	\$8,004	\$306,779	\$38.33	5	162%
Washington	\$55,154	\$2,100,938	\$38.09	6	161%
Hawaii	\$12,574	\$474,224	\$37.71	7	160%
Utah	\$15,105	\$541,149	\$35.83	8	152%
Delaware	\$7,452	\$258,729	\$34.72	9	147%
South Carolina	\$30,760	\$1,021,999	\$33.22	10	141%
Indiana	\$58,770	\$1,900,364	\$32.34	11	137%
Alabama	\$36,796	\$1,177,874	\$32.01	12	136%
Minnesota	\$49,809	\$1,507,245	\$30.26	13	128%
North Carolina	\$62,015	\$1,820,625	\$29.36	14	124%
Louisiana	\$44,005	\$1,289,360	\$29.30	15	124%
North Dakota	\$7,265	\$208,921	\$28.76	16	122%
Idaho	\$9,603	\$273,583	\$28.49	17	121%
Oklahoma	\$32,726	\$915,282	\$27.97	18	118%
Mississippi	\$21,013	\$559,926	\$26.65	19	113%
Texas	\$191,101	\$5,076,290	\$26.56	20	112%
California	\$362,246	\$9,538,739	\$26.33	21	111%
Arkansas	\$21,651	\$565,647	\$26.13	22	111%
Kentucky	\$34,796	\$908,402	\$26.11	23	111%
Arizona	\$35,573	\$927,626	\$26.08	24	110%
Maine	\$12,047	\$313,055	\$25.99	25	110%
Georgia	\$63,146	\$1,591,324	\$25.20	26	107%
Pennsylvania	\$138,600	\$3,362,755	\$24.26	27	103%
New York	\$231,534	\$5,484,459	\$23.69	28	100%
Kansas	\$28,633	\$675,419	\$23.59	29	100%
Iowa	\$31,256	\$727,422	\$23.27	30	99%
Ohio	\$122,125	\$2,699,863	\$22.11	31	94%
Colorado	\$40,625	\$881,851	\$21.71	32	92%
Florida	\$135,177	\$2,901,656	\$21.47	33	91%
Wisconsin	\$54,331	\$1,098,385	\$20.22	34	86%
New Jersey	\$113,780	\$2,247,339	\$19.75	35	84%
Michigan	\$108,242	\$2,135,482	\$19.73	36	84%
Vermont	\$5,663	\$103,624	\$18.30	37	77%
Massachusetts	\$79,782	\$1,458,838	\$18.29	38	77%
Rhode Island	\$11,606	\$211,310	\$18.21	39	77%
Connecticut	\$48,721	\$877,947	\$18.02	40	76%
Maryland	\$58,942	\$1,039,913	\$17.64	41	75%
Oregon	\$29,177	\$489,088	\$16.76	42	71%
Tennessee	\$46,933	\$736,509	\$15.69	43	66%
Missouri	\$57,502	\$868,820	\$15.11	44	64%
Virginia	\$70,271	\$1,037,411	\$14.76	45	63%
Nevada	\$11,645	\$163,723	\$14.06	46	60%
Illinois	\$146,381	\$1,982,143	\$13.54	47	57%
South Dakota	\$7,104	\$96,094	\$13.53	48	57%
Nebraska	\$18,324	\$225,735	\$12.32	49	52%
New Hampshire	\$13,439	\$24,015	\$1.79	50	8%

Sources: "Total and Per Capita Disposable Personal Income for States and Regions, 1981-87", SURVEY OF CURRENT BUSINESS, April, 1988, U.S. Department of Commerce, p. 76.
"Revenue Receipts of Public Elementary and Secondary Schools.... 1984-85", DIGEST OF EDUCATION STATISTICS, 1987, p. 108.