



# ***Cradle-to-Career Investments in Baltimore City***

Produced for Baltimore's Promise by David McNear | September 2016

BALTIMORE'S  
PROMISE

***Every Child. Infinite Possibilities.***

# **Cradle-to-Career Continuum**



***Babies are Born Healthy***



***Children Enter Kindergarten Ready to Succeed in School***



***Children and Youth Achieve at Grade Level in School***



***Youth Graduate from High School Prepared for the Next Step without Remediation***



***Youth Earn Quality Post-Secondary Credential or Receive Training and are Career Ready***



***Data Analysis & Evaluation***



# ***About Baltimore's Promise***

Baltimore's Promise is a collaborative dedicated to improving outcomes for the city's youth. We are focused on building a culture of shared accountability and collaboration across Baltimore City. Baltimore's Promise is unique – a unified effort led by a group of dedicated leaders from the private, philanthropic, nonprofit, higher education, business, and government sectors. Our organizers envision a city where all children and youth enter early adulthood healthy, educated, and well-equipped to lead productive lives and careers. Baltimore's Promise is committed to helping the city's children succeed from cradle to career by coordinating, informing, and guiding the efforts of a diverse group of individuals and entities all focused on helping Baltimore's young people fulfill their great potential.

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## ***A Call for Action***

Baltimore is the vibrant and diverse home to more than 600,000 people who want and need their city to be the best possible place to raise healthy, well-prepared children. Importantly, Baltimore is also home to scores of community leaders who are committed to our city and eager to be part of a transformational solution that benefits all children and young people.

Like many American cities, Baltimore has experienced a daunting combination of challenges during the past several decades, including population decline, deterioration of the economic base, loss of corporate headquarters, as well as an increase in both poverty and crime. The challenges facing Baltimore's residents fall disproportionately on our children, who experience multiple threats to their health and well-being that severely constrain their opportunities and potential.

In the fall of 2012, foundation and business leaders throughout Baltimore began a new discussion around the idea of working together on behalf of our city's children. The discussion focused on innovative ways the community could come together to support children's health and education from birth through the time when they are college- and/or career-ready. This broad

cradle-to-career focus is similar in intent to many collective impact strategies in cities across the United States. The scope of this effort is substantial. Baltimore City is responsible for the education of more than 85,000 students in Grades K-12, approximately 10% of all public school students in Maryland.

Today, more than 250 stakeholders — including the school district, higher education institutions, foundations, businesses, nonprofits, and community and faith leaders — are engaged to build a broad basis of support for our commitment to work together to benefit our children. This engagement led to the creation of Baltimore's Promise, a collaborative dedicated to improving outcomes for the city's youth.

Baltimore's Promise was created to serve as a backbone organization, independent and solely dedicated to guiding this work. Specifically, the mission of Baltimore's Promise is to coordinate strategy, identify quality programs, support alignment activities, establish shared measures for meaningful results, build public will, and advance policy on behalf of Baltimore City's youth.



## Board of Directors

The commitment of a diverse leadership group serving as Baltimore's Promise's Board of Directors, which includes foundations, nonprofits, businesses, elected officials, and university presidents, makes this effort unique. The Board of Directors includes:

**Diane Bell-McKoy**

CEO, Associated Black Charities

**Michael Cryor**

Chair, One Baltimore

**Ronald Daniels**

President, Johns Hopkins University

**Robert Embry**

President & CEO, Abell Foundation

**Donald C. Fry**

President, Greater Baltimore Committee

**Mark Furst**

President & CEO, United Way of Central Maryland

**Matthew Gallagher**

President & CEO, Goldseker Foundation

**\*Mark and Traci Lerner**

Founding Partners, Chesapeake Partners

**\*Patrick McCarthy**

President & CEO,  
The Annie E. Casey Foundation

**Van T. Mitchell**

Secretary, Maryland Department of Health  
& Mental Hygiene

**Rachel Garbow Monroe**

President & CEO, Harry and  
Jeanette Weinberg Foundation

**Jay Perman**

President, University of Maryland, Baltimore

**The Honorable Stephanie Rawlings-Blake**

Mayor, City of Baltimore

**Jan Rivitz**

President & CEO, The Straus Foundation

**Brian Rogers**

Chairman, T. Rowe Price

**Sonja Brookins Santelises**

CEO, Baltimore City Public Schools

**Leana Wen**

Commissioner, Baltimore City  
Health Department

**Thomas Wilcox**

President & CEO, Baltimore  
Community Foundation

**David Wilson**

President, Morgan State University

**\*Mark Lerner and Patrick McCarthy**

serve as the Co-Chairs of Baltimore's Promise.

## Baltimore's Promise Operations Committee

The publication of the 2015 Baltimore City Cradle-to-Career Investments<sup>1</sup> report was supported by the Baltimore's Promise Operations Committee, which includes:

**Gabriel Auteri**

Deputy Chief of Staff, Baltimore City Health Department

**Adar Ayira**

Program Manager, Associated Black Charities

**Sophie Dagenais**

Director, Baltimore Civic Site, Annie E. Casey Foundation

**Matthew Gallagher**

President & CEO, Goldseker Foundation

**Sheryl Goldstein**

Managing Director, Programs and Grants, Harry and Jeanette Weinberg Foundation

**Dawn Kirstaetter**

Deputy Mayor, Health, Human Services, Education and Youth, City of Baltimore

**Bonnie Legro**

Program Officer, Education, Abell Foundation

**Hilary Roxe**

Deputy Chief of Staff, Office of the President, Johns Hopkins University

**Brian Sturdivant**

Director of Strategic Initiatives and Community Partnerships, Office of Community Engagement, University of Maryland-Baltimore

## Baltimore's Promise Staff

**Thomasina L. Hiers**

Executive Director

**Laura Jahromi**

Program Assistant

**Josh Morgan**

Director of Data Analysis

**Ashley Black**

Communications and Community Engagement Specialist



<sup>1</sup> The FY 2015 version of the Baltimore City Cradle-to-Career Investments report and related fund maps build upon previous versions dating to FY 1997 of the Baltimore City Cradle-to-Career Fund Maps or the Baltimore City Children's Budget prepared by several institutions, including the Family League of Baltimore, Baltimore's Safe and Sound Campaign, The Robert F. Wagner School of Public Service at New York University, the Maryland Association of Nonprofit Organizations, and The Institute for Innovation and Implementation at the University of Maryland School of Social Work. The FY 2015 version of the Baltimore City Cradle-to-Career Investments report is funded by Baltimore's Promise. The recent prior versions were supported by The Annie E. Casey Foundation. This report benefited from content review and editing by Office of Policy Analysis staff at the Maryland Department of Legislative Services.

# Overview

Baltimore is a city of significant assets. Baltimore’s cradle-to-career continuum received public and private investments totaling \$3.53 billion in fiscal year 2015, a 0.3% decrease compared to the \$3.54 billion in fiscal year 2013. These investments support a range of programs and services for Baltimore’s youth, including early childhood programming, education and special education, health care, employment services, and crime prevention. The investments also include funding associated with so-called “deep end” services provided by systems not typically accessed by the general public, such as juvenile justice and foster care.

After a large increase in Baltimore City cradle-to-career investments between fiscal year (FY) 2006 and FY 2011, spending on children and youth has recently plateaued. This flat funding is partly due to FY 2015 cost-containment measures implemented at the state and local levels, as well as declining public school student enrollment and caseloads for entitlement services (e.g. foster care, temporary cash assistance). There was a slight increase of 1.3%, or \$43.6

million, from FY 2011 to FY 2013, followed by a small decrease of \$10.9 million, or 0.3%, from FY 2013 to FY 2015; this resulted in a cumulative increase of just 0.9%, or \$32.7 million, between FY 2011 and FY 2015.<sup>2</sup> While fiscal 2015 total spending was down, philanthropic cradle-to-career investments increased \$16.4 million, or 26.7%, from \$61.5 million in FY 2013 to \$77.9 million in FY 2015. At the same time, FY 2015 public spending on children and young adults decreased \$27.1 million, or 0.8%, from \$3.47 billion in FY 2013 to \$3.45 billion.

The large increase in investments between FY 2006 and FY 2011 is linked to two major funding policies. The first was the 2002 Bridge to Excellence in Public Schools Act (a.k.a. the Thornton Act), a state education financing reform package that increased education aid statewide by \$1.3 billion a year. This policy took effect between FY 2006 and FY 2011. The second policy was the American Recovery and Reinvestment Act (ARRA), which boosted funding from federal economic stimulus resources beginning in FY 2011.

### Cradle-to-Career Investments in Baltimore City



<sup>2</sup> As part of this FY 2015 update, previously reported investments for FY 2011 and FY 2013 were also verified and updated, including the inclusion of new spending items, such as spending on children under 20 placed in State Psychiatric Centers, as well as the inclusion of investments by additional philanthropic institutions.

## Past Spending Trends

**In FY 2015, 75% of Cradle-to-Career investments** were funded in the budgets of three agencies—Baltimore City Public Schools (BCPS), the Maryland Department of Human Resources (DHR), and the Maryland Department of Health and Mental Hygiene (DHMH).

Spending in BCPS accounted for 36.9% of overall cradle-to-career spending; DHR spending represented 20.5% of total investments; and DHMH spending added up to 17.6% of the total. The majority of BCPS spending is funded through state education aid, most of which is determined by funding formulas driven by student enrollment. BCPS student enrollment is reported in the BCPS Adopted Operating Budget. Between FY 2011 and FY 2013, BCPS' overall enrollment increased by 947 students, while between FY 2013 and FY 2015, enrollment was up by only 229 students. As a result of the decreased level of student enrollment, BCPS cradle-to-career spending decreased \$171,388 between FY 2013 and FY 2015.

Most DHR cradle-to-career investments are for entitlement spending, like foster care or Temporary Cash Assistance. In FY 2011 and FY 2013, caseloads linked to entitlement spending were higher, partially due to the economic effects of the Great Recession and federal budget sequestration. In FY 2015, spending budgeted in DHR declined \$39.3 million from FY 2013, with the decreases linked to the Supplemental Nutrition Assistance Program (SNAP, most commonly referred to as "food stamps") and the number of youth in foster care. The large majority of DHMH cradle-to-career spending is Medicaid provider reimbursements for residents under age 20, which increased \$12 million, or 2.1%, from \$576 million in FY 2013 to \$588 million in FY 2015.

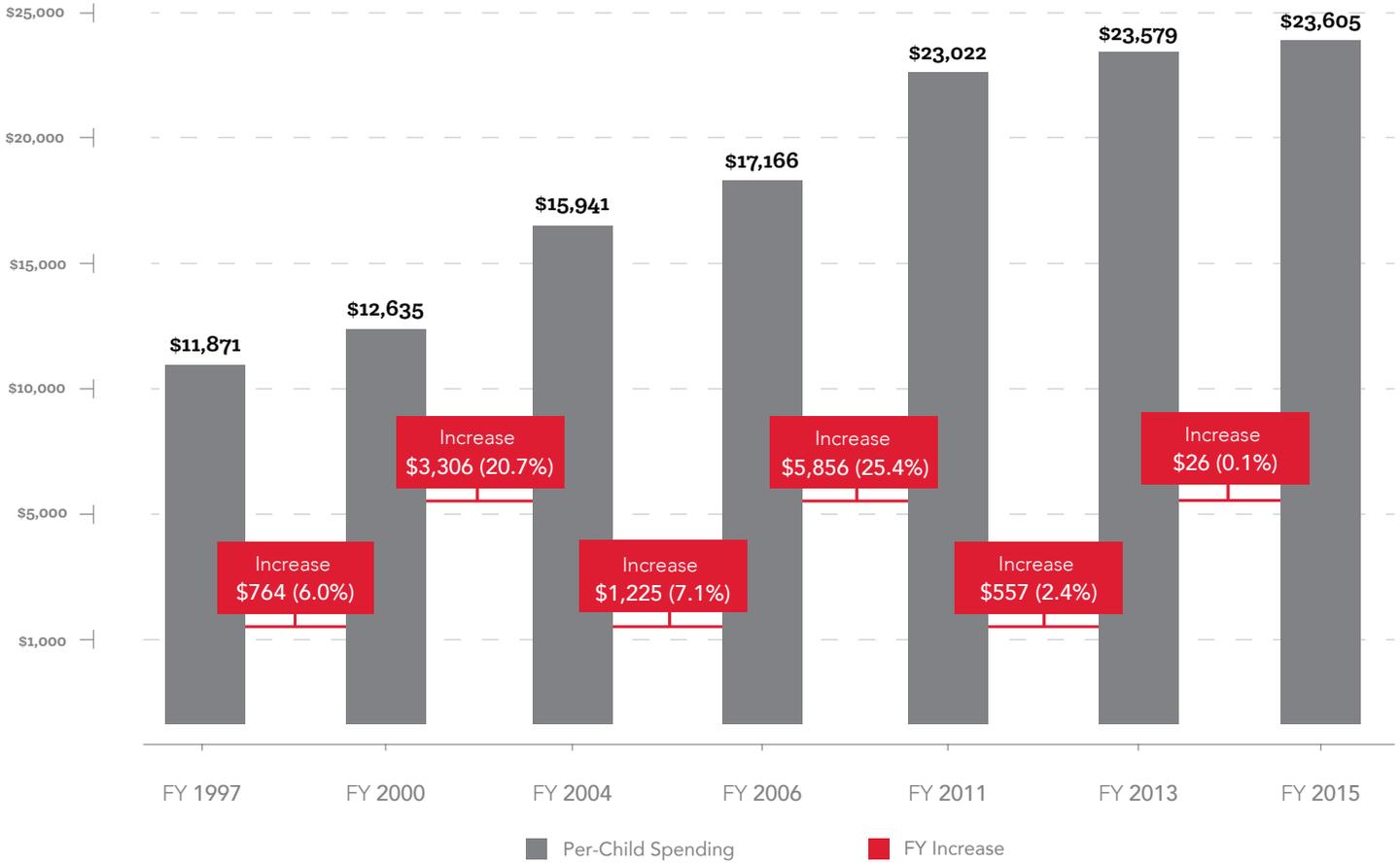
## Projected Spending

Overall, FY 2017 spending on children and young adults is projected to increase \$81.4 million, or 2.3%, from FY 2015 to \$3.61 billion. The projected spending growth is primarily linked to Medicaid provider reimbursements (an estimated \$13.3 million increase) and BCPS (a budgeted increase of \$17.4 million). Other budgeted increases in FY 2017 investments include \$5.7 million more for Maternal and

Child Health in the Baltimore City Department of Health and \$5.7 million in new money for Career Connections for In-School Youth in the Mayor's Office of Employment Development. Conversely, FY 2017 SNAP benefits are projected to decrease \$15.8 million from FY 2015 and foster care payments are expected to decrease \$3 million.<sup>3</sup>

<sup>3</sup> The FY 2017 Operating Budget has been released for the State of Maryland, City of Baltimore, and BCPS. For the FY 2017 cradle-to-career estimate, FY 2017 total funding and spending by sub-function and funding source is the same as FY 2015 actual reporting for Behavioral Health System Baltimore, the Family League of Baltimore, Federal Grants Awarded Directly to Community, and Philanthropic Investments. See Sources and Methodologies for more detail.

## Per Child Cradle-to-Career Investments

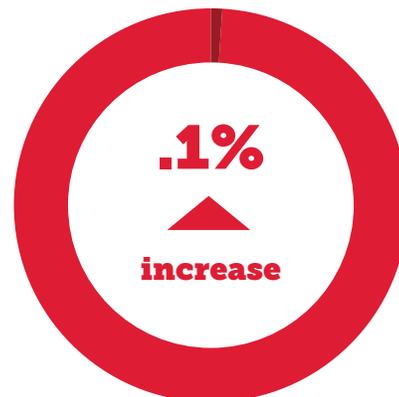


## Per Child Cradle-to-Career Investment % Change

2006-2011



2013-2015

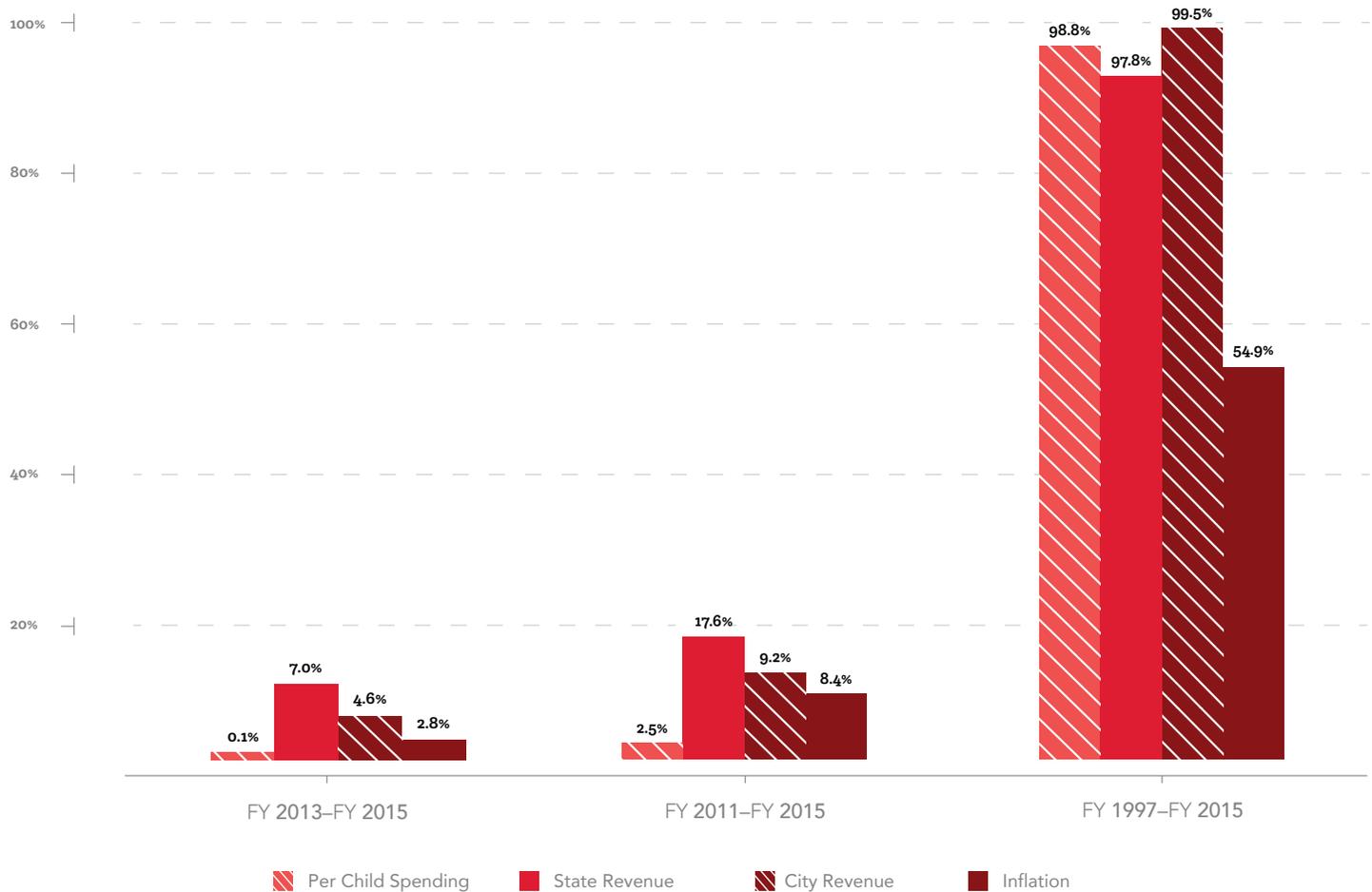


# Per Child Spending

Overall, per child spending growth nearly matched the growth in both state and city general fund revenues and far outpaced inflation growth. From FY 1997 to FY 2015, per child cradle-to-career investments as well as state and city general fund revenue nearly doubled, with per child spending growing by 98.8%, compared to state general fund revenue growth of 97.8% and city general fund revenue growth of 99.5%. Over the same period, inflation in the Washington-Baltimore region increased by 54.9%.

In recent years, however, growth in per child investments lagged behind revenue and inflation growth. From FY 2013 to FY 2015, there were increases in general fund revenues at both the state (7%) and city (4.6%) levels, and inflation growth was 2.8%. At the same time, per child investments increased just 0.1%. Between FY 2011 and FY 2015, the 2.5% increase in per child spending also lagged far behind the general fund revenue increases at the state (17.6%) and city (9.2%) levels, as well as the regional inflation growth rate (8.4%).<sup>4</sup>

**Per Child Spending, Revenue and Inflation (% Change)**



<sup>4</sup> State and city general fund revenue data are available in the Operating Budgets for the State of Maryland and City of Baltimore. For state budget documents, see <http://dbm.maryland.gov/budget/Pages/operbudhome.aspx>. City budget documents are available at <http://bbmr.baltimorecity.gov/DocumentsandReports.aspx>. For inflation data, see "Consumer Price Index Historical Tables for Washington-Baltimore," U.S. Bureau of Labor Statistics, at [http://www.bls.gov/regions/mid-atlantic/data/consumerpriceindexhistorical\\_washingtondc\\_table.htm](http://www.bls.gov/regions/mid-atlantic/data/consumerpriceindexhistorical_washingtondc_table.htm). November 1996 is the baseline month for the CPI data and is in FY 1997, which is the baseline year for cradle-to-career investments. November data is used to determine inflation growth by year from the FY 1997 baseline.

# Investments by Outcome Area

This report links the allocation of the city's cradle-to-career investments to the strategic outcome areas targeted by Baltimore's Promise, creating "fund maps" to identify trends in funding allocations on behalf of youth from birth to 24 years of age. The chart below details the assignment of public funding sources to the respective strategic outcome areas and will be highlighted in greater detail in the body of this report.<sup>5</sup>

Healthy Babies	Kindergarten Readiness	Grade Level Achievement	High School Graduation	Career Readiness	Not Allocated to an Outcome Area <sup>6</sup>
Maternal and Child Health	K-12 Education: Allocated with Enrollment by Grade	K-12 Education: Allocated with Enrollment by Grade	K-12 Education: Allocated with Enrollment by Grade	Career Ready Young Adults	Community Building & Community Development
Women, Infants, and Children Program	Early Childhood Education	Health & Behavioral Health: Allocated with Enrollment by Grade	Health & Behavioral Health: Allocated with Enrollment by Grade	Medicaid Payments for Youth Aged 19-20	Employment Services/ Training for Parents/Adults
Medicaid Payments for Children Under Age 1	Child Care Subsidies	Human Services: Child Welfare; Housing/Homeless Services; Nutrition Services; and Work/Family Support: Allocated with Enrollment by Grade	Human Services: Child Welfare; Housing/Homeless Services; Nutrition Services; and Work/Family Support: Allocated with Enrollment by Grade		Police/Criminal Justice
Neonatal Intensive Care Unit Charges with Anticipated Commercial/Third Party Payer	Early Childhood Behavioral Health  Medicaid Payments for Children Aged 1-5	Youth Development: After School/Summer Learning; Arts & Culture; Recreation & Parks; and Mentoring & Tutoring: Allocated with Enrollment by Grade  Juvenile Justice: Allocated with Enrollment by Grade  Medicaid payments for Children Aged 6-14	Youth Development: After School/Summer Learning; Arts & Culture; Recreation & Parks; and Mentoring & Tutoring: Allocated with Enrollment by Grade  Juvenile Justice: Allocated with Enrollment by Grade  Medicaid payments for Children Aged 15-18		

<sup>5</sup> This chart allocates BCPS investments between the Kindergarten Readiness, Grade Level Achievement, and High School Graduation fund maps using BCPS pre-K-12 student enrollment by grade level data, unless the program or purpose indicated that the spending was specified for another outcome area. For example, early childhood behavioral health or foster care payments for transition-aged youth, investments on related or support services, such as Human Services, and Health, are allocated between the Grade Level Achievement and High School Graduation fund maps with BCPS K-12 enrollment by grade data. The BCPS FY 2017 Adopted Operating Budget does not report student enrollment by grade level. Therefore, the FY 2017 fund maps allocate spending among these fund maps using FY 2015 BCPS enrollment by grade level. For philanthropic investments, the amount and purpose of the grants in FY 2017 are not available. Therefore, spending by sub-function is allocated to the appropriate outcome area using the percentage from the actual FY 2015 data. For example, 75.82% of FY15 philanthropic grants for After School and Summer Learning were allocated to Grade Level Achievement, while 24.18% of these investments were allocated to High School Graduation.

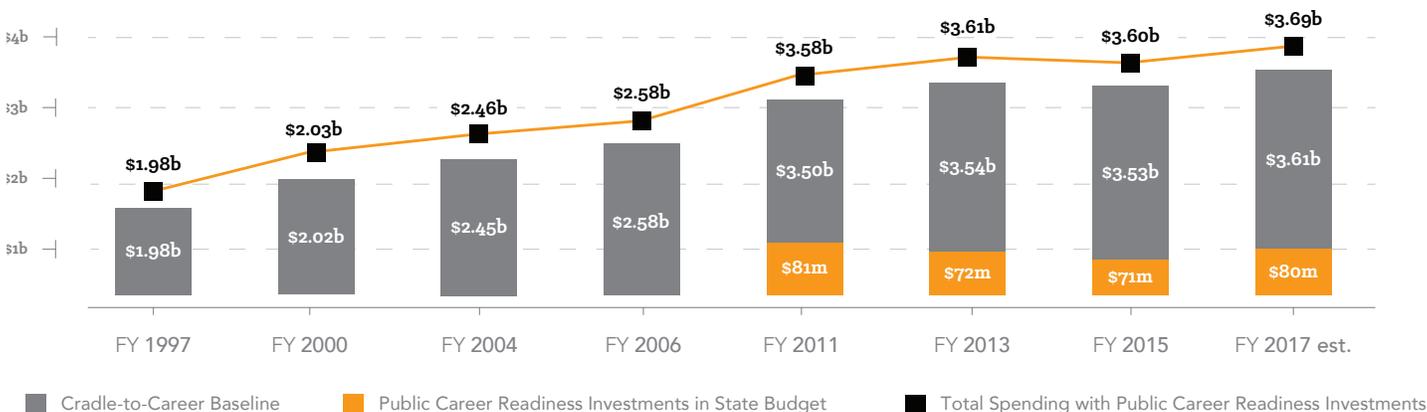
<sup>6</sup> These investments are counted in the cradle-to-career spending baseline dating back to FY 1997 and continue to be included to enable long-term trend analysis.

# Spending with Public Career Readiness Investments

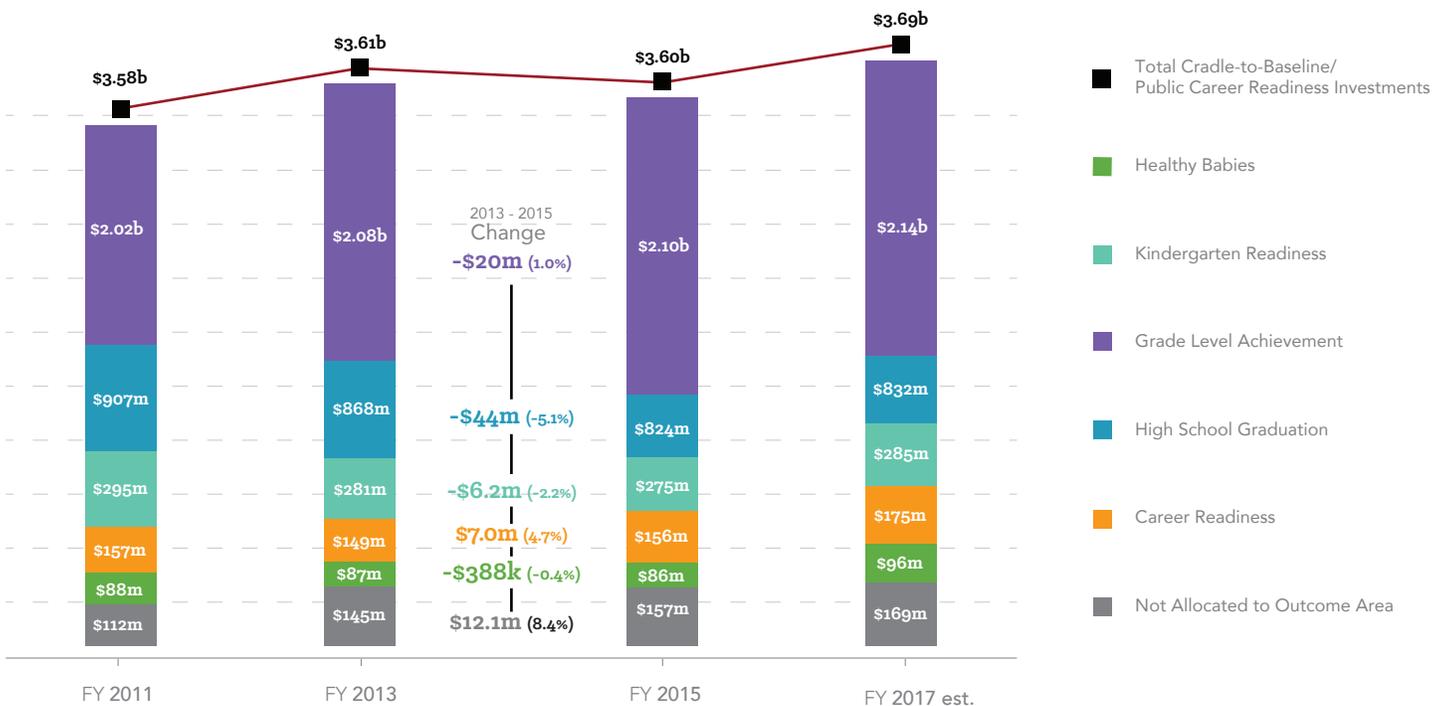
For consistency with versions prior to FY 2011, most public career readiness investments funded in the state budget are not included in the overall cradle-to-career spending baseline. Beginning in FY 2011, these investments are counted in the Career Readiness fund map. Spending on youth workforce

programs by the Mayor's Office of Employment Development and philanthropic investments in career-ready young adults are included in both the cradle-to-career spending baseline and the career readiness fund map.<sup>7</sup>

## Cradle-to-Career Baseline Investments & Public Career Readiness Investments



## Total Investments by Cradle-to-Career Outcome Area



<sup>7</sup> Related spending in the state budget includes State Higher Education Institutions and Scholarships/Aid, State Community College Aid, Maryland Higher Education Commission, Baltimore City Community College, Occupational Rehabilitation in Maryland State Department of Education, and Workforce Development in Maryland Department of Labor, Licensing and Regulation. State Higher Education investments are allocated to the Career Readiness fund map with data on Higher Education institutions attended by BCPS graduates reported in "College Opportunities and Access: Baltimore City Graduates through the Class of 2014," Baltimore Education Research Consortium, November 2015, available at <http://baltimore-berc.org/college-opportunities-and-access-baltimore-city-graduates-through-the-class-of-2014/> and "College Enrollment and Degree Completion of Baltimore City Graduates through the Class of 2012," Baltimore Education Research Consortium, July 2013, at <http://baltimore-berc.org/collegereportjuly2013/>. State workforce development and occupational rehabilitation investments are allocated with the percent of Baltimore City young adults (aged 15 – 24) in the State of Maryland's working-age population (aged 15 – 79). Other workforce investments in the Mayor's Office of Employment Development are allocated with the percent of Baltimore City young adults (aged 15 – 24) in the City working-age population (aged 15 – 79).

# Outcome Areas: Public/Third-Party Vs. Philanthropic Investments

- Healthy Babies:** Between FY 2013 and FY 2015, philanthropic investments were stable at \$1.4 million, while public/third-party spending decreased slightly to \$85 million in FY 2015. Investments with a third party funding source refer to Neonatal Intensive Care Unit (NICU) charges with an expected commercial/ third party payer and are only reported in this outcome area.<sup>8</sup>
- Kindergarten Readiness:** Between FY 2013 and FY 2015, philanthropic grants increased \$2.9 million, from \$2.4 million to \$5.3 million. Investments with a public funding source dropped \$9.2 million in FY 2015 to \$269.4 million, mainly due to a \$7.9 million decrease in Medicaid payments to children between 1–5 years of age.
- Grade Level Achievement:** Between FY 2013 and FY 2015, philanthropic investments increased \$4 million, from \$30.2 million to \$34.2 million. Public spending in FY 2015 increased \$16.3 million from fiscal 2013, from \$2.08 to \$2.1 billion.
- High School Graduation:** Between FY 2013 and FY 2015, philanthropic investments increased \$536,554, from \$12 million to \$12.6 million.<sup>9</sup> Public investments decreased \$44.6 million, from \$856 million in FY 2013 to \$811.3 million in FY 2015.<sup>10</sup>
- Career Readiness:** Between FY 2013 and FY 2015, philanthropic investments increased \$3.6 million, from \$5.9 million in FY 2013 to \$9.5 million in FY 2015.<sup>11</sup> Public investments increased \$3.5 million, from \$143.5 million in FY 2013 to \$147 million in FY 2015.

**Public/Third-Party Vs. Philanthropic Investments by Outcome Area**



<sup>8</sup> NICU charges by ZIP code and anticipated payer were reported for FYs 2011, 2013, and 2015 by the Department of Health and Mental Hygiene – Health Services Cost Review Commission (HSCRC). At the time of the service delivery, hospitals code and report the anticipated payer to HSCRC, which may be different than the eventual, actual payer. The final payer for NICU charges is not reported to HSCRC. NICU charges with an anticipated payer of Medicaid are assumed to be included in the DHMH-reported Medicaid payments for children under 1. See the Healthy Babies fund map detail for NICU charges by ZIP code and anticipated payer.

<sup>9</sup> Unless the purpose of the grant specified an outcome area, most grants, e.g., health, human services, juvenile justice, and youth development, are allocated between Grade Level Achievement and High School Graduation with BCPS K-12 enrollment by school. For example, a grant to a high school is included in High School Graduation or support to an elementary school is counted as Grade Level Achievement. Other grants, for example a grant to an after school program serving children and youth of all ages, are allocated to Grade Level Achievement or High School Graduation with BCPS K-12 enrollment by school. K-12 Education grants are allocated between Kindergarten Readiness, Grade Level Achievement, and High School Graduation with BCPS pre-K-12 enrollment by school. BCPS reports enrollment for pre Kindergarten, Elementary School, Middle School, and High School students.

<sup>10</sup> Most of the non-education public investments in the cradle-to-career spending baseline, e.g., health, human services, juvenile justice, and youth development, are allocated between the Grade Level Achievement and High School Graduation fund maps with BCPS K-12 enrollment by school. BCPS investments are allocated between the Kindergarten Readiness, Grade Level Achievement, and High School Graduation fund maps with BCPS pre-K-12 enrollment by school. Between FY 2013 and FY 2015, BCPS elementary and middle school enrollment increased by 1,339 students, while high school enrollment dropped by 1,031 students. These changes in enrollment amplified the amount of the increase in public spending on Grade Level Achievement and the decrease in public spending on High School Graduation.

<sup>11</sup> Grants for Career Ready Young Adults are counted in the Career Readiness fund map, while grants for workforce development for adults and adult education are not allocated to a cradle-to-career fund map.

# Cradle-to-Career Investments by Funding Source

The FY 2011 fund maps were the first to include a survey of local philanthropic institutions to identify investments in children and young adults, as well as the reporting of Neonatal Intensive Care Unit (NICU) charges. This FY 2015 report is the first to include Commercial/Third-Party investments in the cradle-to-career spending baseline and Healthy Babies fund map, which also includes NICU charges with commercial/third-party anticipated payers. The data report details those investments for FYs 2011, 2013, 2015.<sup>12</sup>

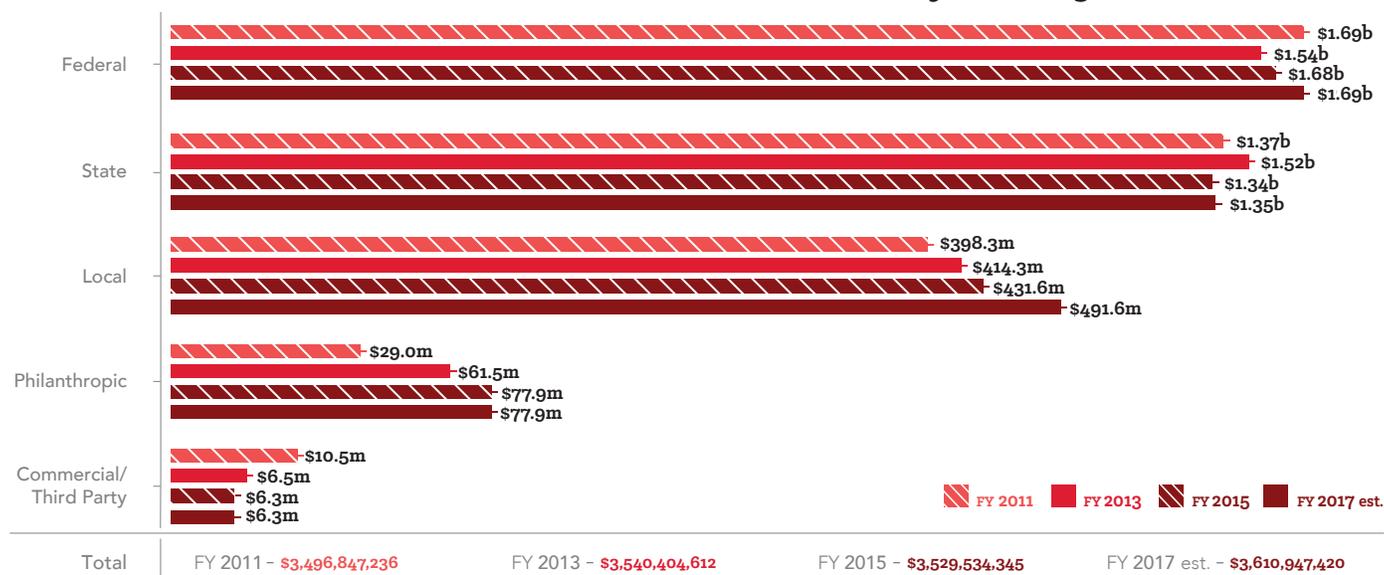
Funding through the American Recovery and Reinvestment Act (ARRA) federal stimulus package peaked in FY 2011. Full funding for the Bridge to Excellence in Public Schools Act, the state education funding reform package that increased state aid to local school districts, was phased in between FY 2006 and FY 2011. Medicaid expansion through the Affordable Care Act (ACA) provides 100% federal funding for expanded coverage groups for the initial three years of the program, including FY 2015 and FY 2017.

Most state aid to local public schools is allocated under a per pupil formula that is contingent on student enrollment. Due to the declining rate in BCPS enrollment, FY 2017 state formula education aid to BCPS was originally slated to drop by \$25.4 million from the previous budget. A supplemental state budget for FY 2017 included a \$12.7 million supplemental grant to BCPS to partially offset the loss of state aid.

Enhanced local funds in the BCPS FY 2017 budget make up for the rest of the originally budgeted decline in state aid. The FY 2017 City of Baltimore budget includes \$10.4 million

in additional discretionary funding for BCPS beyond the required local Maintenance of Effort funding level.<sup>13</sup> Also, the BCPS FY 2017 budget includes a transfer of \$53.6 million in prior year fund balances, which increases General Fund revenue. Roughly \$20 million of the transferred funds are from deferred FY 2016 bond payments for the 21st Century Buildings Plan. State legislation passed in the 2015 session allowed for the deferral of this anticipated local match requirement for the school construction and modernization plan. Another \$33.6 million comes from operational savings realized as part of BCPS' ongoing cost-containment measures.<sup>14</sup>

**Total Cradle-to-Career Baseline Investments by Funding Source**



<sup>12</sup> DHMH Health Services Cost Review Commission reported NICU charges with commercial/third party in prior years, but these charges were not included in the cradle-to-career funding baseline until this version.

<sup>13</sup> See "Fiscal 2017: Board of Estimates Recommendations, Agency Detail - Volume II," Bureau of Budget and Management Research, Baltimore City Department of Finance, May 2016, page 19, at [http://bbmr.baltimorecity.gov/portals/bbmr/documents/FY17\\_Agency\\_Detail\\_Vol2\\_FINAL\\_WEB.pdf](http://bbmr.baltimorecity.gov/portals/bbmr/documents/FY17_Agency_Detail_Vol2_FINAL_WEB.pdf).

<sup>14</sup> See "Operating Budget: Adopted by the Baltimore City Board of School Commissioners," Baltimore City Public Schools, May 2016, page 62, at <http://www.baltimorecityschools.org/cms/lib/MD01001351/Centricity/Domain/8051/FY17AdoptedOperatingBudget.pdf>. For BCPS FY 2017 General Fund revenue by funding source, the \$20 million in deferred local match payment for the 21st Century Buildings Plan is counted as funding with a local revenue source. The \$33.6 million transfer into the General Fund of unassigned prior year fund balances are allocated to federal, state, and local funding revenue sources with the percent of federal, state, and local revenue sources of the FY 2017 General Fund budget less transfers. Funds reported with a revenue source of Other are counted as funds with a local revenue source.

# Cradle-to-Career Baseline Spending – Follow the Money: Agency Source

This section highlights spending by *agency source* and shows the pass-through agency for the investments to the community. This is distinct from the spending by *funding source* data. For example, several grants were reported by Family League of Baltimore (FLB) and Behavioral Health Systems Baltimore (BHSB)

that were not reported by philanthropic institutions. Those grants are reported with a foundation identified as the funding source, but either the FLB or BHSB is listed as the agency source, since the funding passed through these agencies before reaching the community.

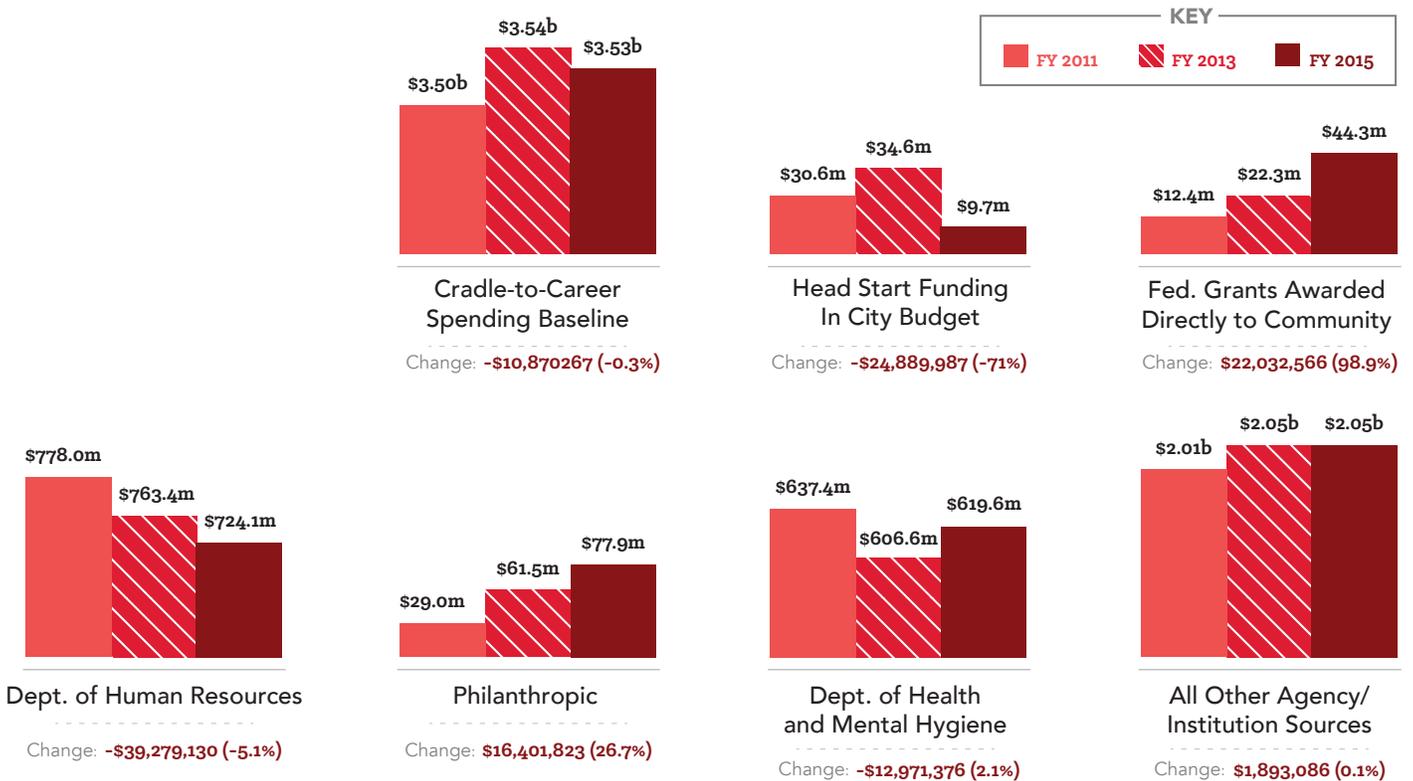


# Cradle to Career Baseline Spending – Follow the Money: Agency Source <sup>15</sup>

The chart below details investments by funding source, with investments from Philanthropic and Third Party sources being tracked beginning in FY 2011. Overall, FY 2015 cradle-to-career investments decreased \$10.9 million from the previous year. There are several notable changes to highlight. The shifts associated with Head Start funding account for several of the changes in funding by local agency source. Head Start investments were budgeted in the Department of Housing and Community Development in FY 2011, then shifted to the Mayor’s Office of Human Services in FY 2013, before

mostly transferring to the Federal Grants Awarded Directly to Community category in FY 2015. The amount of federal grants awarded directly to community organizations increased \$22 million. Cradle-to-career spending by the Department of Human Resources decreased \$39.3 million in FY 2015. Philanthropic investments increased \$16.4 million. Spending by the Department of Health and Mental Hygiene increased \$13 million. FY 2015 investments that were passed through all other agency and institution sources increased by just \$1.9 million from FY 2013.

## Overall Changes in Cradle-to-Career Baseline Investments: Notable Highlights



Note: The data for philanthropic investments are total foundation grants passed through all agency sources.

<sup>15</sup> For consistency with versions prior to FY 2011, most public career readiness investments funded in the state budget are not included in the overall cradle-to-career spending baseline. Please see page 10 for more information.

## Detailed Changes in Cradle-to-Career Baseline Investments by Year

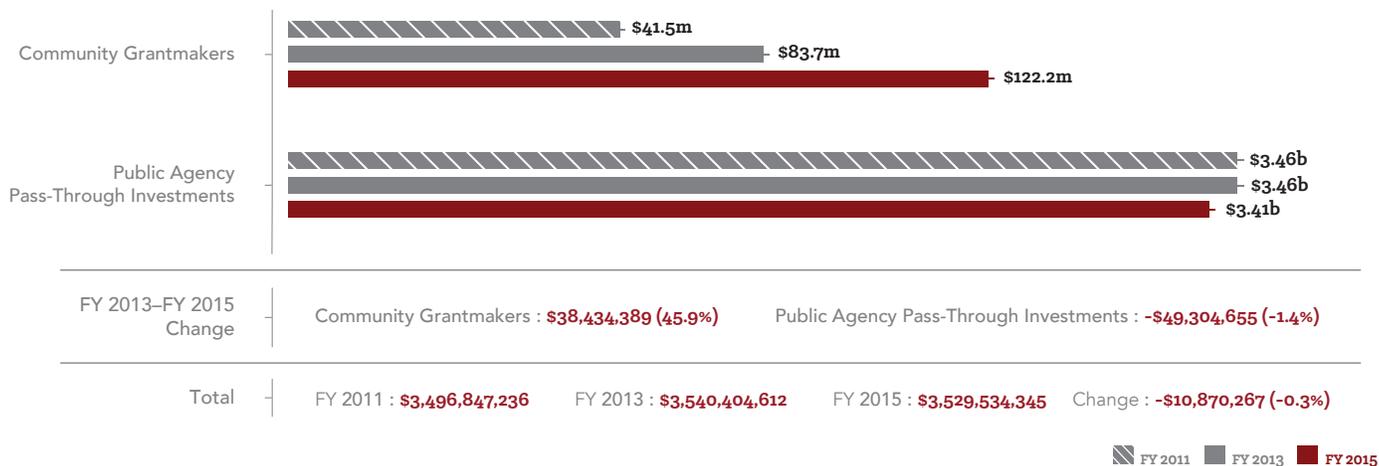
	FY 2011	FY 2013	FY 2015	FY 2017 est.
<b>PHILANTHROPIC</b>				
Philanthropic Institutions	\$29,029,276	\$61,467,733	\$77,869,556	\$77,869,556
<b>COMMERCIAL/THIRD PARTY</b>				
Commercial/Third Party Payers-NICU	\$10,511,205	\$6,462,081	\$6,253,519	\$6,253,519
<b>FEDERAL</b>				
Social Security Administration	\$104,082,578	\$105,394,313	\$103,033,439	\$100,866,092
Federal Grants Awarded Directly to Community	\$12,445,696	\$22,266,384	\$44,298,950	\$44,298,950
<b>STATE</b>				
Health and Mental Hygiene	\$637,402,931	\$606,631,294	\$619,602,670	\$635,405,343
Human Resources	\$778,045,241	\$763,386,480	\$724,107,350	\$714,588,270
Public Satiety and Correctional Services	\$6,597,581	\$9,036,777	\$9,236,100	\$9,904,108
Juvenile Services	\$77,865,195	\$75,682,283	\$78,310,953	\$80,442,452
Judiciary/Crime Control and Prevention	\$5,083,473	\$9,191,673	\$9,512,966	\$10,283,996
Education	\$41,709,053	\$45,256,409	\$42,504,868	\$50,526,396
Office for Children/ Interagency Fund	\$12,782,976	\$11,610,727	\$12,856,338	\$13,737,640
<b>LOCAL</b>				
Baltimore City Public Schools	\$1,294,792,653	\$1,302,785,921	\$1,302,614,533	\$1,319,993,089
Housing Authority of Baltimore City	\$242,464,877	\$255,718,359	\$259,550,617	\$267,327,005
Police	\$81,978,278	\$99,534,867	\$109,353,004	\$115,314,006
Health/Behavioral Health Systems Baltimore	\$78,329,135	\$61,169,009	\$57,619,388	\$67,428,649
Housing and Community Development	\$37,559,946	\$9,539,688	\$6,497,882	\$9,080,703
Recreation & Parks	\$7,176,262	\$7,842,724	\$8,566,322	\$10,463,820
Mayor's Office of Employment Development	\$9,678,994	\$16,395,737	\$13,180,142	\$22,812,953
Mayor's Office of Human Services	\$8,026,276	\$44,899,378	\$21,858,446	\$21,229,527
Mayoralty--Arts, Grants, Other	\$2,572,263	\$6,451,052	\$5,144,760	\$10,965,521
Enoch Pratt Free Library	\$6,295,885	\$6,864,076	\$7,208,650	\$8,484,823
Sheriff/State's Attorney/Circuit Court	\$12,417,464	\$12,817,668	\$10,353,892	\$13,601,094
<b>TOTAL</b>	<b>\$3,496,847,236</b>	<b>\$3,540,404,612</b>	<b>\$3,529,534,345</b>	<b>\$3,610,947,420</b>

# Community Grantmaker and Public Agency Pass-Through Investments

Direct investments by Community Grantmakers (i.e. Philanthropic Institutions and Federal Grants Awarded Directly to Community organizations and providers) increased by \$38.4 million, or 45.9%, from FY 2013 to \$122.2 million in FY 2015. This spending increased \$80.7 million, or 194.6%, between FY 2011 and FY 2015. These investments grew from 1.2% of total cradle-to-

career baseline spending in FY 2011 to 2.4% in FY 2013 and 3.5% in FY 2015. Public agency pass-through investments, including Social Security Benefit payments as well as most federal funds like Medicaid or Title I funding delivered through state and local budgets, decreased \$49.3 million from FY 2013, or 1.4%, to \$3.4 billion in fiscal 2015.

## Community Grantmaker and Pass-Through Investments

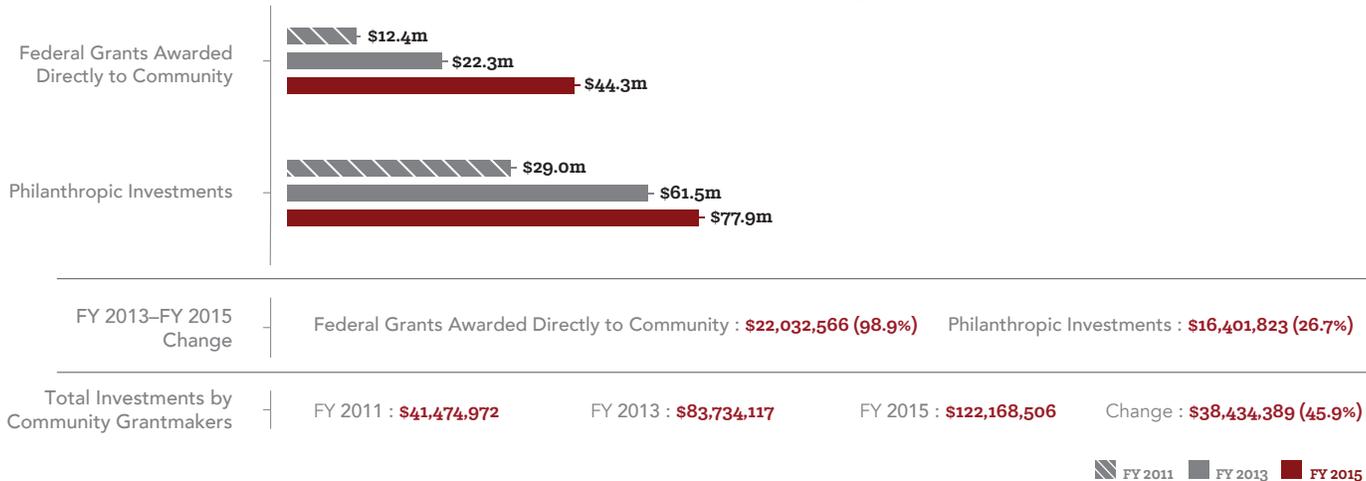


## Community Grantmaker Investments: Federal and Philanthropic

Within the Community Grantmakers category of investments, direct federal grants to the community nearly doubled to \$44.3 million in FY 2015 from \$22.3 million in FY 2013. Early Childhood Education and Child Care federal grants, including Head Start grants, delivered directly to the community increased \$20.6

million in fiscal 2015 to \$21.9 million and were roughly half of total direct federal grants. FY 2015 philanthropic investments increased \$16.4 million, or 26.7%, to \$77.9 million from \$61.5 million in FY 2013.<sup>16</sup>

## Grantmakers: Federal and Philanthropic Investments

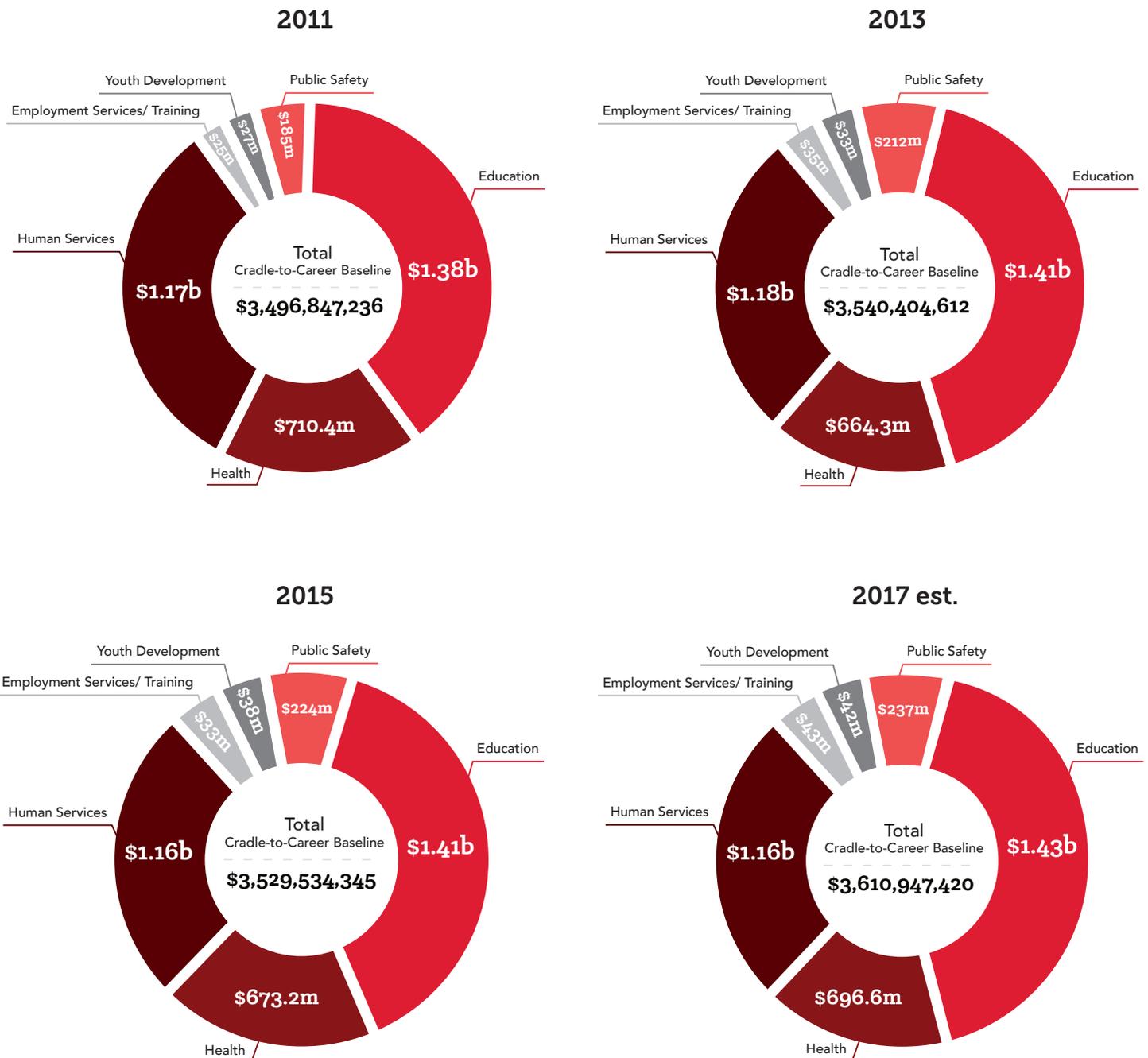


<sup>16</sup> For more detail on investments by Community Grantmakers, see the upcoming Philanthropic Investments and Federal Grants Awarded Directly to the Community sections of this report.

# Cradle-to-Career Baseline Investments by Function

In FY 2015, combined spending on Education, Health, and Human Services accounted for 91.6% of total cradle-to-career baseline investments. Education spending accounted for 39.7% of total spending, while Health investments made up 19.1% and Human Services accounted for 32.8% of the total.<sup>17</sup>

## Cradle-to-Career Investments by Function



<sup>17</sup> Human Services spending includes Community Building investments.

# Cradle-to-Career Baseline Spending by Sub-Function<sup>18</sup>

This section highlights investments linked to specific functions or categories of programs.

## Cradle-to-Career Baseline Spending by Sub-Function

	FY 2011	FY 2013	FY 2015	FY 2017 est.
Community Building	\$1,147,630	\$3,095,213	\$7,376,537	\$7,376,537
K-12 Education	\$1,315,319,364	\$1,349,740,005	\$1,338,332,621	\$1,361,501,086
Early Education & Child Care	\$65,448,627	\$63,684,916	\$66,972,323	\$73,307,450
Behavioral Health	\$39,844,611	\$22,136,280	\$21,421,595	\$21,866,371
Health - General	\$638,056,357	\$612,627,752	\$620,820,543	\$636,907,756
Maternal & Child Health	\$32,495,838	\$29,542,727	\$30,927,048	\$37,864,297
Child Welfare	\$284,414,434	\$211,520,274	\$184,609,426	\$190,529,474
Housing & Homeless Services	\$253,756,747	\$276,357,479	\$283,698,426	\$292,088,095
Nutrition Services	\$318,388,155	\$385,548,474	\$352,693,002	\$341,731,580
Work/Family Support	\$310,916,145	\$306,092,173	\$327,928,965	\$326,691,308
After School & Summer Learning	\$8,072,045	\$10,670,080	\$13,701,819	\$13,701,819
Arts & Culture	\$9,657,110	\$13,038,796	\$12,384,706	\$13,632,211
Mentoring & Tutoring	\$1,579,517	\$1,107,052	\$2,697,572	\$3,577,360
Recreation & Parks	\$7,555,702	\$8,086,045	\$8,842,386	\$10,739,884
Career Ready Young Adults	\$19,693,005	\$27,770,632	\$27,777,348	\$35,437,967
Employment Services (Parents/Adults)	\$5,211,764	\$7,470,981	\$5,534,387	\$7,018,735
Juvenile Justice	\$79,419,032	\$77,506,605	\$79,554,456	\$82,338,916
Police/Criminal Justice	\$105,971,154	\$134,409,128	\$144,261,597	\$154,636,574
<b>TOTAL</b>	<b>\$3,496,847,236</b>	<b>\$3,540,404,612</b>	<b>\$3,529,534,345</b>	<b>\$3,610,947,420</b>

<sup>18</sup> FY 1997 and FY 2000 spending data are not available at a sufficient level of detail to accurately report spending by sub-function. Check redemptions are through the Women, Infants and Children program and related administrative grants are reported in Nutrition Services. For the FY 2011 version, Baltimore Substance Abuse Systems/Baltimore Mental Health Systems, Inc. reported \$31.1 million in cradle-to-career spending. For FY 2013, Behavioral Health Systems Baltimore (BHSB) reported \$15 million in cradle to career spending, of which \$14.8 million was counted, due to double-reporting with Family League of Baltimore, on behalf of the Local Access Mechanism grant. For FY 2015, BHSB reported \$13.2 million in cradle to career spending, of which \$13 million was counted, due to double-reporting with various foundations of grants for Early Childhood Mental Health/Expanded School Mental Health.

# Spending Changes for Selected Programs

Baltimore City Public Schools' (BCPS) FY 2015 investments in instruction decreased \$13.2 million to \$459.8 million, compared to FY 2013. In addition, between FY 2013 and FY 2015, special education spending decreased \$9.4 million to \$205.8 million. For that same period, BCPS' indirect spending, which includes expenditures for plant operations, fixed charges, and debt service, increased \$24.2 million. Medicaid payments

are expected to increase by \$13.3 million between FY 2015 and FY 2017, while Temporary Cash Assistance spending is projected to decrease \$5.8 million.<sup>19</sup> After the decrease between FY 2013 and FY 2015, BCPS spending on instruction is budgeted to increase \$19.8 million between FY 2015 and FY 2017. Also BCPS indirect spending is budgeted to increase \$25.9 million between FY 2015 and FY 2017.<sup>20</sup>

## Notable Spending Changes

	FY 2011	FY 2013	FY 2015	FY 2017 est.	FY 2013–FY 2015 CHANGE	FY 2015–FY 2017 CHANGE
DHMN Medicaid Reimbursements	\$608,668,551	\$576,041,291	\$588,009,467	\$601,358,247	\$11,968,176 (2.1%)	\$13,348,781 (2.3%)
DHR Supplemental Nutrition Assistance Program	\$290,235,415	\$354,279,543	\$323,383,618	\$307,573,786	-\$30,895,925 (2.1%)	-\$15,809,832 (-4.9%)
DHR Temporary Cash Assistance Payments	\$69,383,771	\$62,354,860	\$59,943,648	\$54,143,950	\$11,968,176 (2.1%)	\$13,348,781 (2.3%)
DHR Family Investment Staff/Admin.	\$53,492,404	\$61,975,239	\$56,647,291	\$59,956,006	-\$5,327,948 (-8.6%)	\$3,308,715 (5.8%)
DHR Foster Care Payments	\$196,710,187	\$136,937,534	\$115,248,286	\$112,264,377	-\$21,689,248 (-15.8%)	-\$2,983,909 (-2.6%)
DHR Child Welfare Staff/Admin.	\$73,607,813	\$77,626,605	\$72,165,618	\$80,497,937	-\$5,460,987 (-7.0%)	\$8,332,319 (11.5%)
BCPS Administration	\$156,598,186	\$160,038,684	\$156,231,931	\$127,860,601	-\$3,806,753 (-2.4%)	-\$28,371,330 (-18.2%)
BCPS Instruction	\$487,417,525	\$472,947,720	\$459,780,507	\$479,584,235	-\$13,167,213 (-2.8%)	\$19,803,728 (4.3%)
BCPS Special Education	\$222,780,391	\$212,956,294	\$203,513,744	\$205,831,199	-\$9,442,550 (-4.4%)	\$2,317,455 (1.1%)
BCPS Food Services	\$27,110,945	\$37,364,674	\$35,935,968	\$37,929,768	-\$1,428,706 (-3.8%)	\$1,993,800 (5.5%)
BCPS Student Transportation	\$40,296,452	\$45,793,017	\$49,617,337	\$47,334,181	\$3,824,320 (8.4%)	-\$2,283,156 (-4.6%)
BCPS Student Services	\$17,447,840	\$29,651,576	\$29,345,428	\$27,362,303	-\$306,148 (-1.0%)	-\$1,983,125 (-6.8%)
BCPS Plant/Fixed Cost /Debit Service	\$343,141,314	\$344,033,956	\$368,189,618	\$394,090,802	\$24,155,622 (7.0%)	\$25,901,184 (7.0%)
HABC Housing Subsidies <sup>21</sup> /Public Housing	\$242,464,877	\$255,646,138	\$259,462,356	\$267,219,142	\$3,816,218 (1.5%)	\$7,756,786 (3.0%)

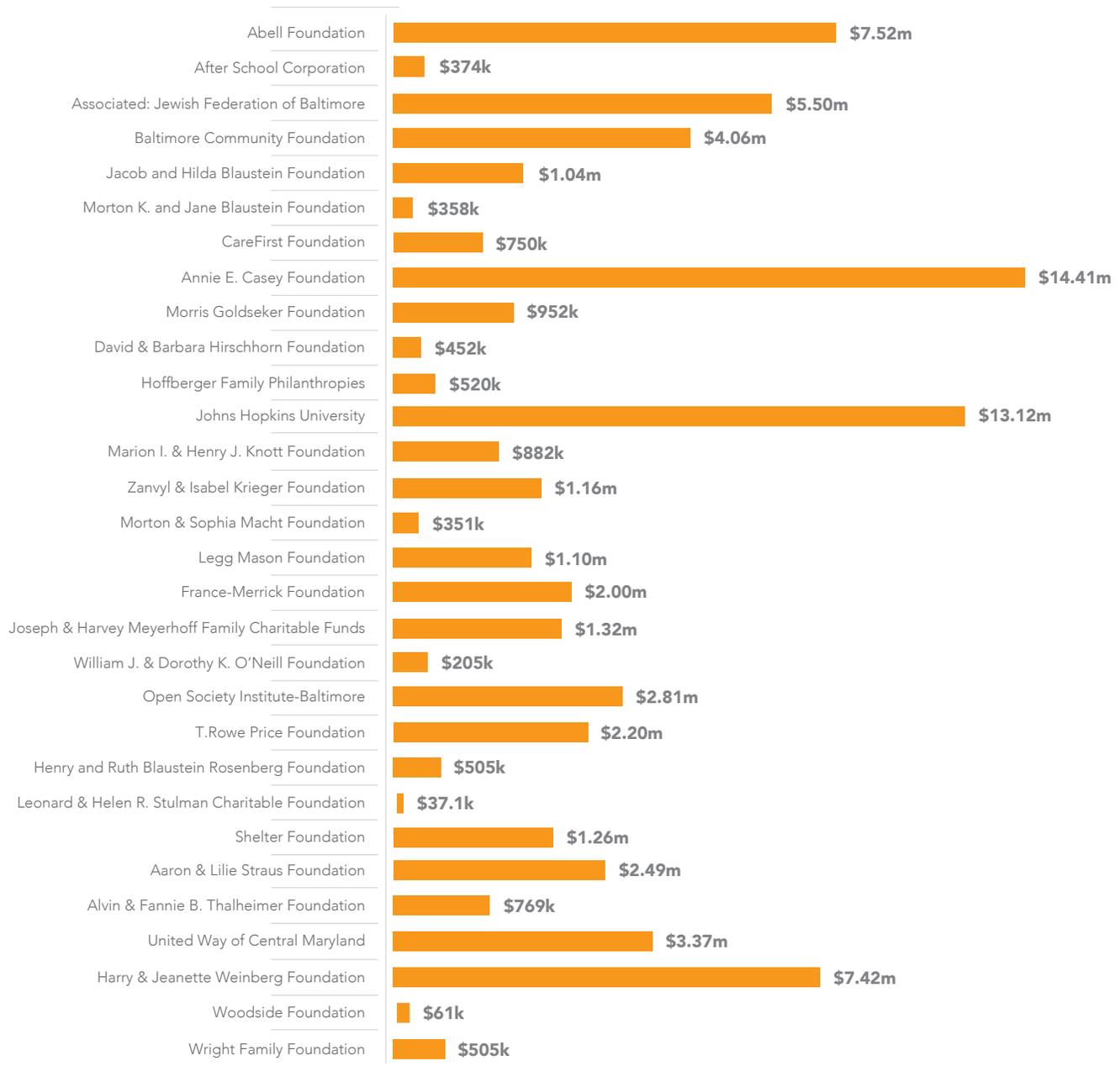
<sup>19</sup> DHR's Family Investment Administration has reported Supplemental Nutrition Assistance Program and Temporary Cash Assistance spending for the first 8 months of FY 2016 for Baltimore City. See <http://www.dhr.state.md.us/documents/Data%20and%20Reports/FIA/Statistical%20Reports/2016-All-Program-Monthly-Statistical-Report.pdf>. These data are used to forecast FY 2017 spending. Other DHR spending and Medicaid reimbursements are forecast with the change by funding source reported in the state budget from FY 2015 actual funding to FY 2017 budgeted spending.

<sup>20</sup> BCPS FY 2017 investments are reported in the FY 2017 BCPS Adopted Operating Budget. See "Operating Budget 2016-2017: Adopted by the Baltimore City Board of School Commissioners," Baltimore City Public Schools, May 2016, available at <http://www.baltimorecityschools.org/cms/lib/MD01001351/Centricity/Domain/8051/FY17AdoptedOperatingBudget.pdf>

<sup>21</sup> FY 2017 spending on public housing and the Housing Choice Voucher Program are estimated with the percent change between FY 2013 and FY 2015 spending.

# Cradle-to-Career Investments: Philanthropic Institutions<sup>22</sup>

## FY 2015 Philanthropic Investments

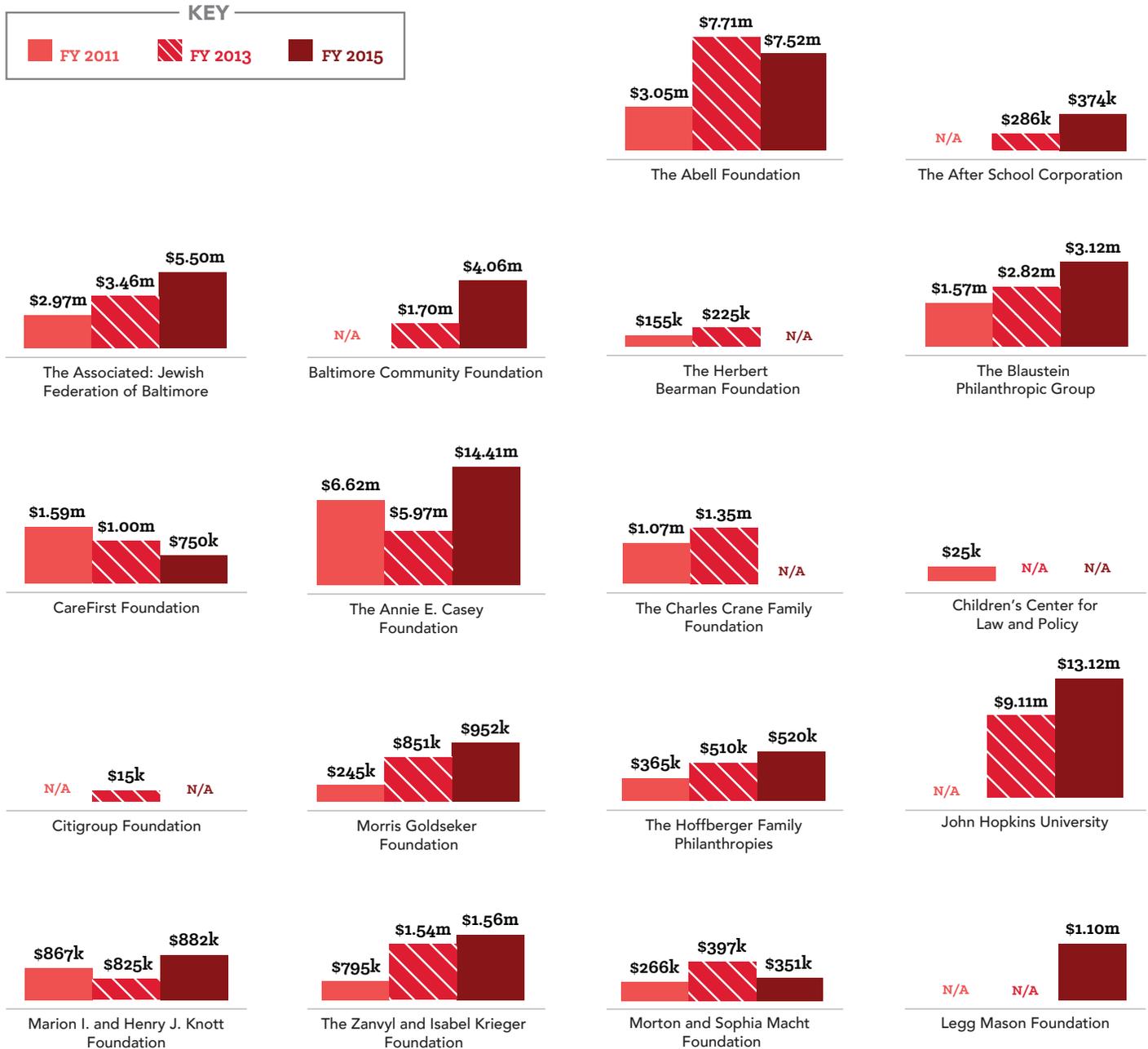


<sup>22</sup>This investment information was self-reported by the respective philanthropic institutions in response to requests from Baltimore's Promise.

# Philanthropic Cradle-to-Career Investments

Philanthropic cradle-to-career investments increased \$16.4 million, from \$61.5 million in FY 2013 to \$77.9 million in FY 2015.<sup>23</sup> This represents 1,859 grants from 30 philanthropic institutions to 508 grantees.<sup>24</sup> Acknowledging that foundations

are best able to characterize the intent and purpose of their investments, the baseline includes all grants reported by a philanthropic institution as a cradle-to-career investment.<sup>25</sup>

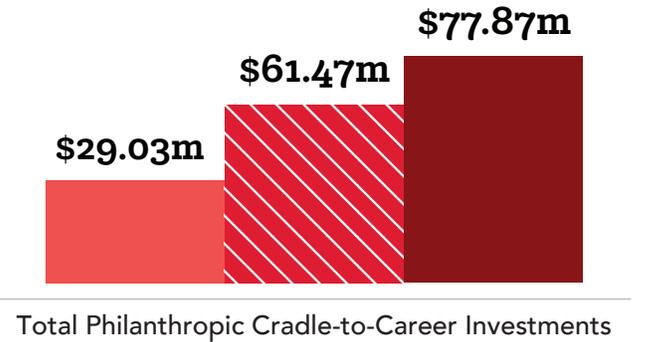
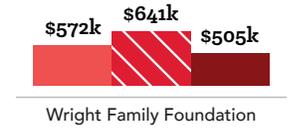
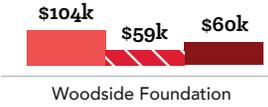
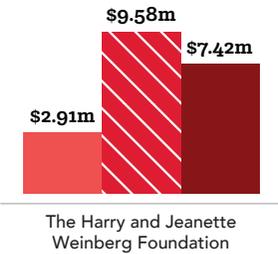
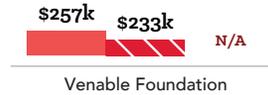
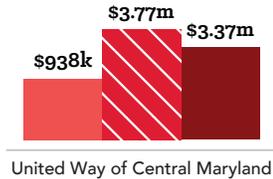
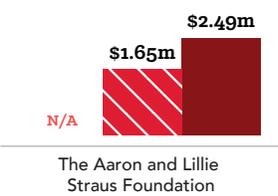
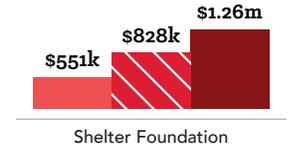
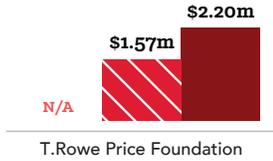
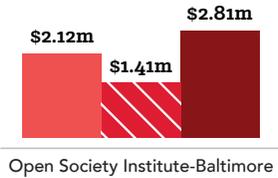
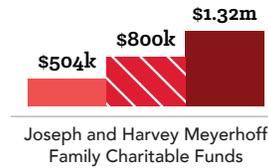
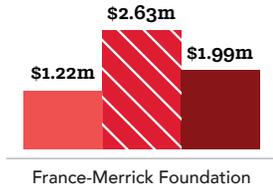
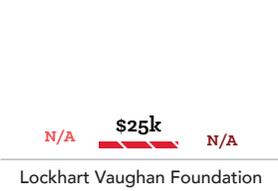


<sup>23</sup> Many foundations budget on a calendar year basis and report their investments for the calendar year.

<sup>24</sup> To prevent an overstatement of the FY 2015 decrease in total cradle-to-career baseline spending due to reporting gaps, FY 2015 investments for the Shelter Foundation are grants reported in the most recent IRS form 990 available, or 2014. The 2014 IRS form 990s for the Charles Crane Family Foundation, the Herbert Bearman Foundation, and the Venable Foundation, which are the other local foundations, reported FY 2011 and FY 2013 grant information. FY 2015 grant information was not available, and therefore not included.

<sup>25</sup> Grants that were reported twice were factored out and not double-counted. Support from one foundation to another was not automatically assumed to be double-reported. In addition to grants reported through the survey, grants were reported by Family League of Baltimore (FLB) and Behavioral Health Systems Baltimore (BHSB). The reported grants that were duplicative and also reported by a foundation were factored out of FLB and BHSB spending. Several of the grants reported by FLB or BHSB were not reported by a foundation. These grants were added to philanthropic investments; the funding source was reported as the foundation and the agency pass-through source was reported as either FLB or BHSB.

KEY



## Philanthropic Investments by Function

In FY 2015, grants for Education, Health, and Human Services accounted for 63% or \$48.9 million of overall philanthropic investments. Grants for Employment Services included \$9.5 million for investments in Career Ready Young Adults. Public Safety investments included grants for youth-police engagement, criminal and juvenile justice system reform, and violence prevention. Community Building grants increased \$4.2 million and includes \$3 million in support for East Baltimore redevelopment.

FY 2015 grants increased \$3.5 million for Career Ready Young Adults, \$3.1 million for Early Childhood Education and Child Care, and \$2.9 million for After School and Summer Learning. FY 2015 grants for K-12 Education decreased \$2.8 million, although K-12 education received robust levels of public funding.

### **Overall, FY 2015 grants for Youth Development and Career Ready Young Adults increased \$7.2 million, or 51.4%, from \$14 million in FY 2013 to \$21.2 million FY 2015.**

In some program areas, philanthropic investments or grants supplemented public spending where public funds are less available. These investments tended to be clustered in either Youth Development program areas or Career Readiness programs for youth and young adults. For example, in FY 2015, philanthropic investments in Career Ready Young Adults were 12.2% of total grants – an increase from 9.7% in 2013 and 5.5% in FY 2011, while FY 2015 public spending for Career Readiness for youth and young adults was 0.5% of total public investments.

For Youth Development, FY 2015 grants for After School and Summer Learning were 10.4% of total grants, while related public spending was 0.2% of total public spending. For Mentoring & Tutoring, philanthropic investments were 1.9% of total grants, compared to just 0.04% of total public funds. Also in Youth Development, FY 2015 grants for Arts & Culture accounted for 2.3% of total philanthropic investments, while related public spending was 0.3% of cradle-to-career baseline

public spending. Recreation & Parks received relatively meager portions of both public and private spending, with FY 2015 related spending representing 0.4% of total grants and 0.2% of total public spending.

For other services, public funding levels are mostly set by federal entitlement eligibility criteria or state statutes and funding formulas, like Health, Child Welfare, Work/Family Support or K-12 Education. For fiscal 2015 K-12 spending, public investments were 38.3% of total public spending, compared to 22.1% of total grants.<sup>26</sup> General health services received 17.9% of total FY 2015 public spending, including Medicaid payments, and 1.6% of total foundation grants; while child welfare services received 6.1% of total public spending and 1.7% of total grants. For Work/Family Support, the respective proportions of total fiscal 2015 public spending (9.3%) and philanthropic funding (9.1%) were nearly in line.

For some program areas, the relative percent of total foundation grants was fairly stable over the three years surveyed. Behavioral Health services received 4.8% of total philanthropic investments in FY 2011, 3.6% in FY 2013, and 3.8% in FY 2015. Housing/Homeless Services were supported with 7.3% of total grants in FY 2011, 7.9% in FY 2013, and 8.1% in FY 2015. Nutrition Services also had fairly steady philanthropic support, with 1.3% of total investments in FY 2011, 1.5% in FY 2013, and 1.4% in FY 2015.

Relative philanthropic investments for some program areas recently increased. Early Education and Child Care, which received 6.2% of total FY 2015 grants, surged from 2.8% in fiscal 2013, good for a 124% increase in the share of total grants. FY 2015 philanthropic support for Maternal and Child Health dropped to 1.9% of total foundation funding from 2.4% in FY 2013 and 6.4% in FY 2011, or a 70.5% drop in the overall share of foundation support from FY 2011 to FY 2015. Grants for Juvenile Justice Reform fell to 0.5% of total FY 2015 philanthropic investments, down from 1.5% in FY 2013 and 2.3% in FY 2011, a 77.5% decrease in the share of total grants since FY 2011.

<sup>26</sup> Philanthropic investments in K-12 education include grants to nonprofit organizations and advocacy groups, which generally receive relatively little funding in public budgets.

## Philanthropic Spending by Function and Sub-Function

	FY 2011	FY 2013	FY 2015	FY 2013–FY 2015 CHANGE
<b>COMMUNITY BUILDING</b>	<b>\$1,147,630</b>	<b>\$3,095,213</b>	<b>\$7,334,037</b>	<b>\$4,238,824 (136.9%)</b>
Community Building	\$1,147,630	\$3,095,213	\$7,334,037	\$4,238,824 (136.9%)
<b>EDUCATION</b>	<b>\$8,367,001</b>	<b>\$21,715,827</b>	<b>\$22,024,824</b>	<b>\$308,997 (-1.4%)</b>
Early Education and Child Care	\$773,379	\$1,703,738	\$4,835,912	\$3,132,174 (183.8%)
K-12	\$7,593,622	\$20,012,089	\$17,188,192	-\$22,823,177 (-14.1%)
<b>EMPLOYMENT SERVICES /TRAINING</b>	<b>\$2,243,228</b>	<b>\$8,553,653</b>	<b>\$11,581,811</b>	<b>\$3,028,158 (35.4%)</b>
Career Ready Young Adults	\$1,602,722	\$5,940,865	\$9,497,486	\$3,556,621 (59.9%)
Employment Service/Training	\$640,506	\$2,612,788	\$2,084,325	-\$528,463 (-20.2%)
<b>HEALTH</b>	<b>\$4,708,985</b>	<b>\$5,563,320</b>	<b>\$5,648,300</b>	<b>\$84,980 (1.5%)</b>
Behavioral Health	\$1,399,316	\$2,217,728	\$2,926,681	\$708,953 (32.0%)
Health - General	\$1,444,416	\$1,867,322	\$1,247,719	-\$619,613 (-33.2%)
Maternal and Child Health	\$1,865,253	\$1,478,260	\$1,473,900	-\$4,360 (-0.3%)
<b>HUMAN SERVICES</b>	<b>\$6,440,887</b>	<b>\$9,954,549</b>	<b>\$13,859,706</b>	<b>\$3,905,157 (39.2%)</b>
Child Welfare	\$890,199	\$1,022,050	\$512,787	-\$509,263 (-49.8%)
Housing & Homeless Services	\$1,412,584	\$3,053,295	\$4,879,678	\$1,826,383 (59.8%)
Nutrition Services	\$380,486	\$892,807	\$1,089,689	\$196,882 (22.1%)
Work/Family Support	\$3,757,618	\$4,986,397	\$7,377,552	\$2,391,155 (48.0%)
<b>PUBLIC SAFETY</b>	<b>\$788,830</b>	<b>\$4,531,915</b>	<b>\$5,727,298</b>	<b>\$1,195,383 (26.4%)</b>
Juvenile Justice Reform	\$538,830	\$915,125	\$399,350	-\$515,775 (-56.4%)
Police/Criminal Justice	\$250,00	\$3,616,790	\$5,327,948	\$1,711,158 (47.3%)
<b>YOUTH DEVELOPMENT</b>	<b>\$5,332,715</b>	<b>\$8,053,256</b>	<b>\$911,693,580</b>	<b>\$3,640,324 (45.2%)</b>
After School & Summer Learning	\$2,807,269	\$5,212,763	\$8,123,016	\$2,910,253 (55.8%)
Arts & Culture	\$952,946	\$1,689,655	\$1,819,400	\$129,745 (7.7%)
Mentoring & Tutoring	\$1,193,060	\$907,517	\$1,475,100	\$567,583 (62.5%)
Recreation & Parks	\$379,440	\$243,321	\$2276,064	\$32,743 (13.5%)
<b>TOTAL</b>	<b>\$29,029,276</b>	<b>\$61,467,733</b>	<b>\$77,869,556</b>	<b>\$16,401,823 (26.7%)</b>

## Trends in Spending by Sub-Function and Funding Source

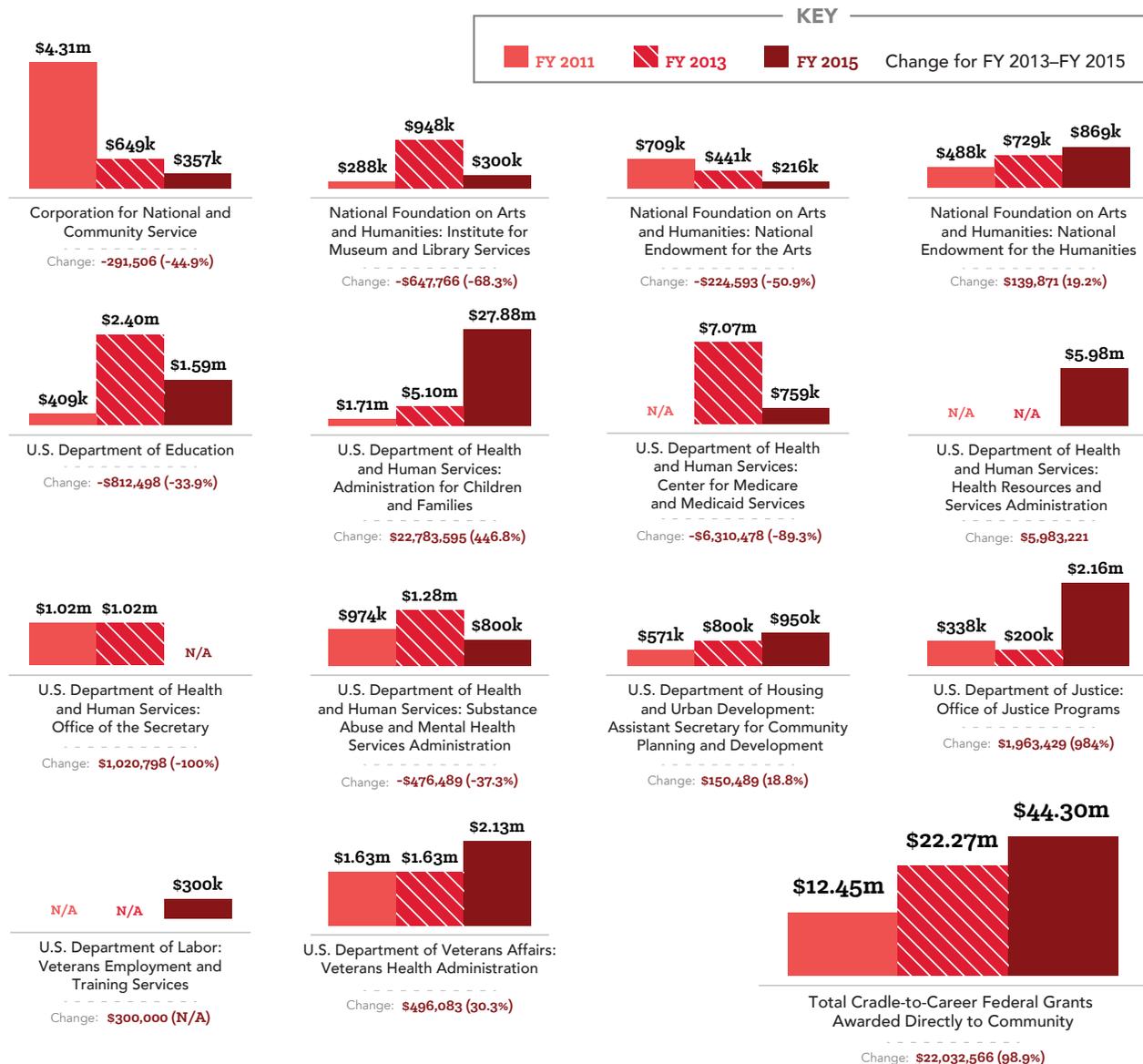
	FY 2011		FY 2013		FY 2015	
	Public/Third Party	Philanthropic	Public/Third-Party	Philanthropic	Public/Third-Party	Philanthropic
After School & Summer Learning	0.2%	9.7%	0.2%	8.5%	0.2%	10.4%
Arts & Culture	0.3%	3.3%	0.3%	2.7%	0.3%	2.3%
Behavioral Health	1.1%	4.8%	0.6%	3.6%	0.5%	3.8%
Career Ready Young Adults	0.5%	5.5%	0.6%	9.7%	0.5%	12.2%
Child Welfare	8.2%	3.1%	6.1%	1.7%	5.3%	0.7%
Community Building	—	4.0%	—	5.0%	—	9.4%
Early Education and Child Care	1.9%	2.7%	1.8%	2.8%	1.8%	6.2%
Employment Services	0.1%	2.2%	0.1%	4.3%	0.1%	2.7%
Health - General	18.4%	5.0%	17.6%	3.0%	17.9%	1.6%
Housing & Homeless Services	7.3%	4.9%	7.9%	5.0%	8.1%	6.3%
Juvenile Justice	2.3%	1.9%	2.2%	1.5%	2.3%	0.5%
K-12 Education	37.7%	26.2%	38.2%	32.6%	38.3%	22.1%
Maternal and Child Health	0.9%	6.4%	0.8%	2.4%	0.9%	1.9%
Mentoring & Tutoring	—	4.1%	—	1.5%	—	1.9%
Nutrition Services	9.2%	1.3%	11.1%	1.5%	10.2%	1.4%
Police/Criminal Justice	3.0%	0.9%	3.8%	5.9%	4.0%	6.8%
Recreation & Parks	0.2%	1.3%	0.2%	0.4%	0.2%	0.4%
Work/Family Support	8.9%	12.9%	8.7%	8.1%	9.3%	9.5%
<b>TOTAL</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>	

# Federal Grants Awarded Directly to Community: Federal Assistance Award Data System

Most federal cradle-to-career funding is passed through a state or local agency to the community. For example, Medicaid provider reimbursements are passed through the Department of Health and Mental Hygiene (DHMH) and Supplemental Nutrition Assistance Program benefits are passed through the Department of Human Resources (DHR). However, some federal grants are delivered directly to organizations in Baltimore City without passing through a state or local agency. Head Start grants and

grants for Unaccompanied Minor Children are examples of federal funds distributed directly to a community organization or provider. Information about these investments is available through a search of the Federal Assistance Award Data System. Most Head Start funding is now delivered directly to providers through grants from the Administration for Children and Families at the Department of Health and Human Services, accounting for the related funding increase from FY 2013 to FY 2015.

## Federal Grants Awarded by Funding Source: Notable Trends



## Direct Federal Grants Awarded by Function and Sub-Function

For FY 2015, Mentoring & Tutoring grants included \$1 million in support from the Office of Justice Programs at the Department of Justice. This sum was awarded to Alpha Phi Alpha Fraternity's "Go to High School, Go to College" juvenile mentoring

program. FY 2015 Maternal & Child Health grants included \$2.1 million to Baltimore City Healthy Start for the Healthy Start Initiative to end racial disparities in prenatal health indicators.

### Direct Federal Grants Awarded by Function and Sub-Function

	FY 2011	FY 2013	FY 2015	FY13-FY15 CHANGE
<b>COMMUNITY BUILDING</b>	—	—	<b>\$42,500</b>	<b>\$42,500 (136.9%)</b>
<b>EDUCATION</b>	<b>\$408,778</b>	<b>\$1,963,368</b>	<b>\$22,525,113</b>	<b>\$20,561,745 (1047.3%)</b>
Early Education and Child Care	—	\$1,349,216	\$21,903,692	\$20,554,476 (1523.4%)
K-12	\$408,778	\$614,152	\$621,421	\$7,269 (1.2%)
<b>EMPLOYMENT SERVICES/ TRAINING</b>	<b>\$3,971,625</b>	<b>\$849,997</b>	<b>\$377,242</b>	<b>-\$472,755 (-55.6%)</b>
Career Ready Young Adults	\$3,971,625	\$849,977	\$377,242	-\$472,755 (-55.6%)
<b>HEALTH</b>	<b>\$2,034,636</b>	<b>\$9,877,814</b>	<b>\$8,062,487</b>	<b>-\$1,815,327 (-18.4%)</b>
Behavioral Health	\$1,013,838	\$1,316,430	\$345,361	-\$971,070 (-73.8%)
Health - General	\$130,000	\$6,608,656	\$4,420,721	-\$2,187,935 (-33.1%)
Maternal and Child Health	\$890,798	\$1,952,728	\$3,296,406	\$1,343,678 (68.8%)
<b>HUMAN SERVICES</b>	<b>\$4,222,298</b>	<b>\$7,260,347</b>	<b>\$10,584,221</b>	<b>\$3,323,874 (45.8%)</b>
Child Welfare	—	—	\$86,152	\$86,152
Housing & Homeless Services	\$2,613,146	\$3,183,631	\$4,432,508	\$1,248,877 (39.2%)
Nutrition Services	\$507,200	—	—	—
Work/Family Support	\$1,101,952	\$4,076,716	\$6,065,561	\$1,988,845 (32.8%)
<b>YOUTH DEVELOPMENT</b>	<b>\$1,808,358</b>	<b>\$2,314,857</b>	<b>\$2,707,386</b>	<b>\$392,529 (14.5%)</b>
After School & Summer Learning	\$38,000	\$110,000	\$120,090	\$10,090 (9.2%)
Arts & Culture	\$1,383,901	\$2,005,322	\$1,364,824	-\$640,498 (-31.9%)
Mentoring & Tutoring	\$386,457	\$199,535	\$1,222,472	\$1,022,937 (512.7%)
<b>TOTAL</b>	<b>\$12,445,696</b>	<b>\$22,266,384</b>	<b>\$44,298,950</b>	<b>\$22,032,566 (98.9%)</b>

# FY 2015 Cost-Containment Measures Implemented at Local and State Levels

## Baltimore City Public Schools

In 2015, the Maryland General Assembly asked Baltimore City Public Schools (BCPS) to provide an update to its budget committees regarding any projected FY 2016 budget gaps. BCPS reported that the FY 2016 budget gap was initially forecast at roughly \$73 million, due to flat revenues and built-in increases in costs, including labor and vendor contracts. Reductions in state aid to public schools (\$22.2 million) expanded that projected gap to \$94.9 million.<sup>27</sup>

BCPS also reported \$23 million in priority spending items, which led to a combined FY 2016 budget gap of \$117.9 million. To address the projected gap, BCPS began to implement cost-

containment measures in the third quarter of FY 2015, which resulted in savings of \$23 million in fiscal 2015. Roughly \$21 million of those savings was transferred to support the FY 2016 budget. Approximately \$2 million was allocated to the projected Unassigned Fund balance to maintain compliance with a BCPS School Board policy requiring that 3% of general fund expenditures be available in unassigned fund balances. BCPS also identified \$92.9 million in savings in the FY 2016 budget. In addition, state legislation passed in 2015 deferred \$20 million in required local match for the 21st Century School Buildings Plan. The cost-containment measures and match relief totaled \$117.9 million in savings.<sup>28</sup>

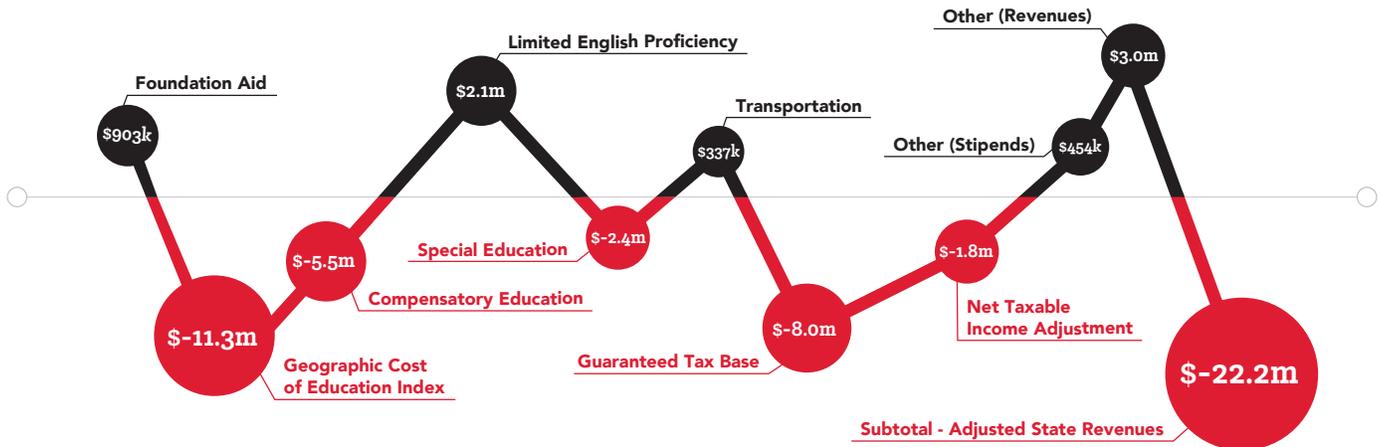
### Increases in Cost Drivers

FUNCTION	AMOUNT
Direct School Support	\$24,357,710
21st Century Buildings and Maintenance	\$13,000,000
Nonrecurring Revenue (Fund Balance)	\$27,526,157
Fixed Costs Increases (Fringe)	\$3,827,274
Continuation of Full Day Pre-Kindergarten	\$4,014,611
<b>SUBTOTAL - Increased Cost Drivers</b>	<b>\$72,725,752</b>

<sup>27</sup> "Analysis of the FY 2017 Maryland Executive Budget, 2016 – Maryland State Department of Education (MSDE) Aid to Education," Maryland Department of Legislative Services (DLS), Exhibit 21, page 41 at <http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2017fy-budget-docs-operating-R00A02-MSDE-Aid-to-Education.pdf>. Source: Baltimore City Public Schools

<sup>28</sup> DLS MSDE Aid to Education Analysis, page 42.

## Adjustments in State Revenue



Total FY 2016 Initially Forecast Budget Gap | **-\$94,901,995**

Additional Priority Area and Spending Initiatives | **\$23,000,000**

Combined FY 2016 Budget Gap | **-\$117,901,995**

## City of Baltimore

Faced with declining growth in general fund revenues and the resulting long-term structural budget gaps, the City of Baltimore implemented a Ten-Year Financial Plan, including fiscal changes and cost-containment reforms beginning in FY 2014, with the effects of cost-containment extending into FY 2015. This process included successive rounds of cost-containment and revenue restructuring, including multiple cost-savings reforms implemented in FY 2015. The fiscal effects of subsequent cost-savings and budgetary changes extended from FY 2016 through FY 2022 to deal with the long-term, projected structural budget gap.

Prior to the FY 2014 fiscal reforms, the FY 2015 city general fund budget gap was initially forecast at \$126.4 million and the fiscal gap grew to \$744.8 million through FY 2022. The FY 2014 Ten-Year Financial Plan initiatives included shift changes for fire fighters, reforms to the Employees' Retirement System, and the transfer of city services to the BCPS budget. The plan also

implemented small increases in revenue in FY 2014, with a general fund revenue package raising \$6.3 million over ten years and a storm water fee increase yielding \$14 million. The cumulative fiscal effect of FY 2014 cost-savings was \$395.4 million through FY 2022. Combined with increases in baseline spending, the projected fiscal gap through FY 2022 was reduced to \$472.8 million.

FY 2015 cost-containment measures included changes to accident-time payouts for employees, automated parking management, vacant position reductions, employee leave payout reform, restructuring compensation for managerial and professional positions, and changes to pharmacy benefit management for employees and retirees. The FY 2015 also included cash pay-as-you-go (PAYGO) funding for capital projects of \$24 million above the recommended baseline of \$8 million, which reduced long-term debt service costs.<sup>29</sup>

<sup>29</sup> See "Fiscal 2015 Executive Summary: Board of Estimates Recommendations," City of Baltimore, April 2014, pages 12 – 17, available at <http://ca.baltimorecity.gov/flexpaper/docs/FY2015%20Executive%20Summary.pdf>.

# State of Maryland

The FY 2015 budget included successive rounds of cost containment by the state's Board of Public Works (BPW), including provider rate cuts and up to 2% across-the-board cuts for state agencies.<sup>30</sup> BPW actions yielded \$25.6 million in general fund Medicaid reductions for FY 2015; and Department of Health and Mental Hygiene (DHMH) received a 0.6% across-the-board cut, resulting in \$25.5 million in general fund reductions.<sup>31</sup> Other BPW cuts that affected cradle-to-career funding in DHMH included reducing the rate increase from 4% to 2% for community service providers to individuals with developmental disabilities and individuals with behavioral health issues, saving \$8.4 million. Total savings from FY 2015 DHMH cost-containment measures were \$68.1 million.<sup>32</sup>

BPW approved a 1% across-the-board cut for DHR, resulting in a \$6.6 million reduction for FY 2015. In addition, general funds for foster care payments and child welfare staff were reduced by \$10.4 million. Group home provider rates were frozen at FY 2014 levels, resulting in a savings of \$215,000. The reductions to Family Investment programs were much smaller, with a \$450,000 reduction related to increasing the employee turnover rate and an \$800,000 reduction in federal Temporary Assistance to Needy Families funding for the Work Opportunities program.<sup>33</sup>

BPW reductions to the Maryland State Department of Education's FY 2015 budget included an across-the-board cut of \$1.8 million and a \$441,000 cut related to employee turnover rate.<sup>34</sup> The Maryland Higher Education Commission absorbed \$2,059,900 in FY 2015 across-the-board BPW cuts, as well as a \$3 million cut to aid to community colleges, and personnel cuts of \$652,000.<sup>35</sup> Total BPW FY 2015 reductions to University System of Maryland (USM) institutions were \$46.6 million, or 3.9% of USM's state funding.<sup>36</sup>

The Department of Juvenile Services (DJS) bore \$9.8 million in BPW FY 2015 cost-containment measures, with an across-the-board cut of \$5.7 million, a \$1.8 million reduction in residential per diems, a \$735,000 decrease for nonresidential contractual services, and other personnel cuts totaling \$1.5 million.<sup>37</sup> Actual FY 2015 DJS spending was \$15.8 million below the originally budgeted amount.<sup>38</sup>

<sup>30</sup> Once the legislature passes the budget, the mechanism for cuts to current-year spending requires a majority vote of members of the Maryland Board of Public Works.

<sup>31</sup> All savings data represent the statewide effect of cost-containment measures and not the local effect on Baltimore City.

<sup>32</sup> Total DHMH cost-containment savings data were provided by Office of Policy Analysis staff at the Maryland Department of Legislative Services, with \$11.7 million in July 2014 reductions and \$56.4 million in January 2015 BPW reductions.

<sup>33</sup> "Analysis of the FY 2016 Maryland Executive Budget, 2015 – DHR Family Investment Administration," Maryland Department of Legislative Services, pages 11-12, available at <http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2016fy-budget-docs-operating-N00100-DHR-Family-Investment.pdf>.

<sup>34</sup> "Analysis of the FY 2016 Maryland Executive Budget – MSDE Headquarters, 2015," Maryland Department of Legislative Services, pages 10-11, at <http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2016fy-budget-docs-operating-R00A01-MSDE-Headquarters.pdf>. See the BCPS cost-containment section for more detail on fiscal 2015 reductions in state aid to BCPS.

<sup>35</sup> "Analysis of the FY 2016 Maryland Executive Budget – Maryland Higher Education Commission, 2015," Maryland Department of Legislative Services, page 13, at <http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2016fy-budget-docs-operating-R6210001-Maryland-Higher-Education-Commission.pdf>.

<sup>36</sup> "Analysis of the FY 2016 Maryland Executive Budget – University System of Maryland Budget Overview, 2015," Maryland Department of Legislative Services, pages 20-21, at <http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2016fy-budget-docs-operating-R30B00-University-System-of-Maryland-Overview.pdf>.

<sup>37</sup> "Analysis of the FY 2016 Maryland Executive Budget – Department of Juvenile Justice, 2015," Maryland Department of Legislative Services, pages 20-21, at <http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2016fy-budget-docs-operating-V00A-Department-of-Juvenile-Services.pdf>.

<sup>38</sup> See DJS Operating Budgets for FY 2015 and FY 2017 at <http://dbm.maryland.gov/budget/Pages/operbudhome.aspx>.

## July 2, 2014, Action:

BPW's July 2014 action reduced fiscal 2015 general fund spending by \$75.9 million.



**State Agencies:** State agencies were reduced by \$55.4 million. Some of the larger general fund actions included:

- \$19.4 million from state agency budgets due largely to a \$17.6 million one-time payment from the Chesapeake Employers' Insurance Company to the State Employee and Retiree Health and Welfare Benefits Fund to cover future health care liabilities for active and retired Injured Workers' Insurance Fund employees;
- \$9.5 million due to lower foster care caseloads in the Department of Human Resources (DHR);
- \$8.3 million from the Department of Health and Mental Hygiene (DHMH), including \$3.5 million from developmental disabilities programs;
- \$5.0 million by holding positions vacant in various agencies;
- \$3.9 million from the Department of Juvenile Services (DJS), including \$1.8 million due to lower need for residential per diems; and
- \$3.4 million from Medicaid for rates for managed care organizations (MCO).



**Higher Education:** Cuts of \$10.3 million were allotted to state institutions as well as the grant to private colleges and universities. Larger actions included:

- \$3.4 million in facility maintenance from the University System of Maryland (USM);
- \$3.0 million from the Sellinger Program providing aid to private colleges and universities;
- \$2.1 million related to the abolition of 42 positions across USM and Morgan State University (MSU); and
- \$1.7 million in general operating expenses from USM, MSU, St. Mary's College of Maryland (SMCM), and Baltimore City Community College (BCCC).



**Fund Swaps:** There were \$10.3 million in fund swaps, in which general funds were replaced with \$6.0 million in special funds and \$4.3 million in federal dollars. Larger swaps included:

- \$4.3 million in DHMH's Developmental Disabilities Administration (DDA) due to local government payments for day services (\$2.7 million in special funds) and additional federal matching funds (\$1.6 million);
- \$2.2 million in additional federal funds for Medicaid due to an Emergency Psychiatric Demonstration Waiver; and
- \$2.0 million in special funds related to the enactment of Chapter 325 of 2014, which reauthorized fees to two oil-related funds in the Maryland Department of the Environment (MDE).

<sup>39</sup>This summary of BPW actions was provided by Office of Policy Analysis staff at the Maryland Department of Legislative Services.

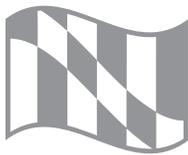
## January 7, 2015, Action:

BPW authorized the withdrawal of \$197.8 million in general fund appropriations, including:



**State Agencies:** State agencies were reduced by \$120.4 million, including:

- \$86.2 million for a 2% across-the-board reduction to agencies, exclusive of higher education;
- \$20.7 million through reduced provider rates;
- \$4.9 million of the Rainy Day Fund appropriation due to revised revenue estimates;
- \$4.5 million from economic development programs; and
- \$4.1 million from miscellaneous programs.



**Local Aid:** Local aid was reduced by \$21.3 million across four programs. This included:

- \$8.0 million to level fund the Disparity grant program;
- \$6.8 million from Cade formula aid to community colleges;
- \$5.9 million to level fund local health grants; and
- \$0.6 million to level fund police aid.



**Higher Education:** Cuts of \$44.2 million were allotted to state institutions, including:

- \$26.6 million for the higher education share of the 2% across-the-board cut, applied to the USM, MSU, SMCM, and BCCC;
- \$10.0 million to the USM, MSU, SMCM, and BCCC; and
- \$7.6 million in targeted reductions to USM for facilities renewal, student and academic services, and administrative support.



**Fund Swaps:** There were \$12.0 million in fund swaps, in which general funds are to be replaced with a like amount of special funds or surplus general fund encumbrances. Most of these assumed special funds came from the Cigarette Restitution Fund and the Community Health Resources Commission in lieu of general fund appropriations in Medicaid and Behavioral Health.

# Fiscal Pressures in State and Local FY 2017 Budgets

## Baltimore City Public Schools

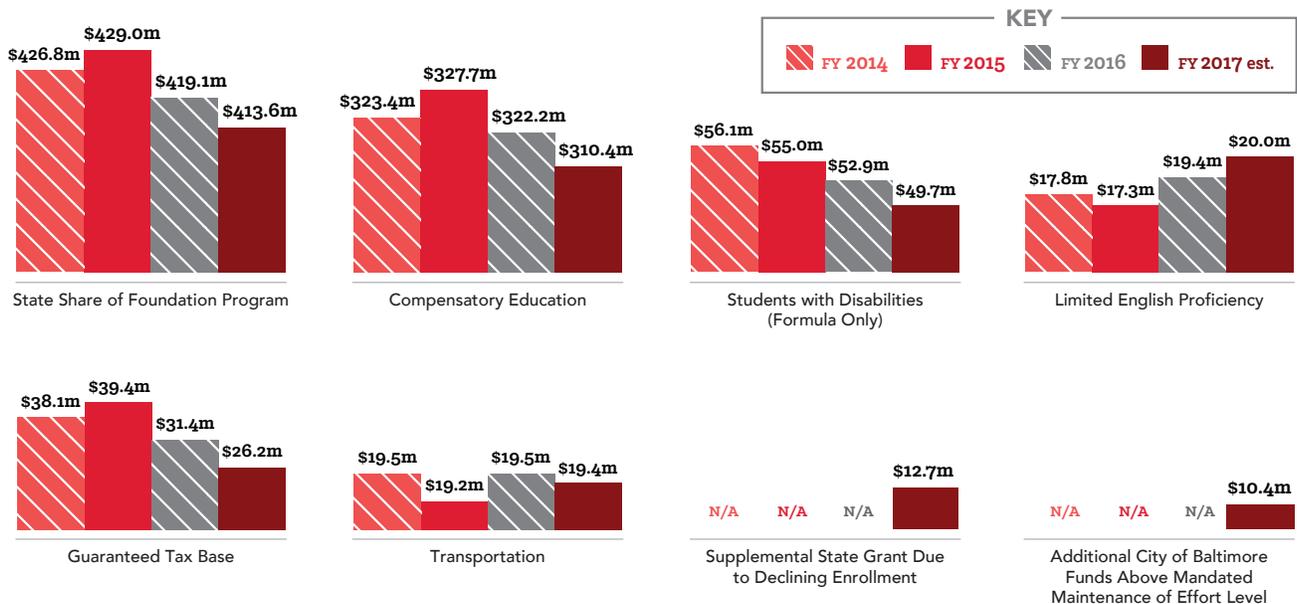
State funds accounted for 78% of FY 2017 Baltimore City Public Schools (BCPS) Operating Budget expenditures. The majority of state aid to local schools is driven by a funding formula based on student enrollment. Slowed student enrollment have led to corresponding declines in state aid to BCPS. In the Governor's initial FY 2017 budget plan, state aid to BCPS was reduced \$25.4 million, after a \$23 million decrease in fiscal 2016. The Governor's third supplemental budget for FY 2017 included a \$12.7 million grant to BCPS to partially offset the loss of state aid.<sup>40</sup> The City of Baltimore increased its local contribution to BCPS by \$10.4 million to address the remaining shortfall in state aid.<sup>41</sup>

In addition, BCPS' FY 2017 general fund budget will be supplemented with transfers from prior year fund balances,

including the \$20 million in deferred local matching for the 21st Century School Buildings plan.<sup>42</sup> Looking ahead, BCPS reports it will continue to pursue efficiencies and implement a number of cost-savings measures to achieve long-term fiscal stability, including:

- Working with its newly formed Performance Management team to collaborate with different offices to build upon currently available performance evaluation;
- Analyze data to improve employee performance and the district's alignment with results-based budgeting principles;
- Negotiate with unions to re-visit current contract terms, as well as reviewing vendor contracts; and
- Review health care costs.<sup>43</sup>

## State K-12 Education Formula Aid Funding and State/Local Supplemental Aid to BCPS



Total | FY 2014: \$881,646,326 | FY 2015: \$887,578,499 | FY 2016: \$864,593,817 | FY 2017 est.: \$862,319,511

<sup>40</sup> The FY 2017 Operating Budget books and the Supplemental Budget #3 are available at <http://dbm.maryland.gov/budget/Pages/operbudhome.aspx>.

<sup>41</sup> See "Fiscal 2017 Preliminary Budget Plan," City of Baltimore, March 2016, page 8 at <http://bbmr.baltimorecity.gov/portals/bbmr/documents/FY2017%20Preliminary%20Budget%20Final.pdf>.

<sup>42</sup> See BCPS FY 2017 Adopted Operating Budget, page 62.

<sup>43</sup> See BCPS FY 2017 Adopted Operating Budget, page 21-22.

## City of Baltimore

In the baseline FY 2017 budget forecast, the city's Finance Department projected a \$60 million General Fund shortfall. The baseline forecast also assumed General Fund revenue growth for Fiscal 2017 of approximately \$36 million (2.1%), versus cost growth of \$96 million (5.6%) to support current services. The \$60 million funding gap is nearly 6% of the portion of the General Fund budget that pays for the salaries, benefits, contracts, equipment, and supplies to run city services day-to-day. Key cost drivers fall into three categories: planned growth, service improvements, and extraordinary inflation. Built-in spending increases included projected growth of \$4 million in general inflation, \$16 million for 2% cost-of-living adjustments for employees, and \$9 million in debt service payments. In addition, estimated spending growth on service improvements

included \$2 million for recreational and health facilities, \$3 million for new trash cans, \$6 million to maintain Charm City Circulator routes, and \$6 million for police body cameras. Extraordinary inflation cost drivers included the costs of street repaving (\$2 million), prescription drugs for employees and retirees (\$13 million), and growth in pension costs (\$15 million).

To close the shortfall, the FY 2017 budget plan freezes pay for public safety employees, further restructures retiree health care benefits, increases ambulance fees, raises the Parking Tax, and increases payments from tax-exempt nonprofit organizations by \$2.7 million. The Police Department will undergo a departmental efficiency plan and reduce funding for vacant positions.<sup>44</sup>

## State of Maryland

The initial fiscal outlook for FY 2017 was better compared to Baltimore City Public Schools (BCPS) and the City of Baltimore, with General Fund revenues projected at \$17.039 billion and general fund costs of \$17.038 billion. In other words, the state budget was initially forecast to have a structural balance, or the difference between ongoing revenues and ongoing spending, of \$1 million in FY 2017.<sup>45</sup> In the final budget passed by the legislature, the structural general fund balance increased to \$100 million for FY 2017. In addition, the General Fund is projected to close out the fiscal year with a cash balance of \$365 million and the Rainy Day Fund is estimated to have a balance of just over \$1 billion.<sup>46</sup>

<sup>44</sup> City of Baltimore Fiscal 2017 Board of Estimates Recommended Budget – Executive Summary, pages iii and iv.

<sup>45</sup> "Spending Affordability Briefing," Department of Legislative Services, November 2015, page 15, at <http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2015-spending-affordability-briefing-november-18.pdf>.

<sup>46</sup> See "The 90 Day Report: A Review of the 2016 Legislative Session," Department of Legislative Services, April 2016, Exhibit A-1.7, page A-14, at <http://mgaleg.maryland.gov/Pubs/LegisLegal/2016rs-90-day-report.pdf>.

# Sources and Methodologies

## Summary Table<sup>47</sup>

Actual Spending	Actual Spending Allocated with Actual Caseload/Facility Data	Actual Spending Allocated with Percent of City Population Under Age 20
<p><b>Pre K–12 Education:</b> Baltimore City Public Schools</p>	<p><b>Medicaid Payments:</b> Maryland Department of Health and Mental Hygiene</p>	<p><b>Governor’s Office of Crime Control and Prevention:</b> State Budget</p>
<p><b>Early Childhood Care and Education and Aging Schools Allocation:</b> Maryland State Department of Education and State Budget</p>	<p><b>Social Security Payments:</b> Social Security Administration</p>	<p><b>Maryland Office of the Public Defender:</b> State Budget</p>
<p><b>Child Welfare, Family Investment, Child Support and Supplemental Nutrition Assistance Program:</b> Maryland Department of Resources</p>	<p><b>Baltimore City Circuit Court:</b> City Budget</p>	<p><b>Baltimore City Department of Housing and Community Development: Community Support Projects, Administration, Energy Assistance, Community Outreach Services:</b> City Budget</p>
<p><b>Juvenile Services:</b> Maryland Department of Juvenile Services</p>	<p><b>Youth in Adult Correctional Facilities:</b> State Budget &amp; Maryland Department of Public Safety and Correctional Services Annual Reports</p>	<p><b>Baltimore City Department of Recreation &amp; Park:</b> City Budget</p>
<p><b>Neonatal Intensive Care Unit Charges; State Psychiatric Centers; Developmental Disabilities:</b> Community Services and Transitioning Youth Program; Women, Infants, and Children Program Check Redemptions Maryland Department of Health and Mental Hygiene</p>	<p><b>FY 2015 Pre–Kindergarten Expansion Grant and Preschool Development Grant:</b> State Budget</p>	<p><b>Baltimore City Health Department: Clinical Services, Health Homes, Substance Abuse and Mental Health, Emergency Services, Administration, Environmental Health &amp; Chronic Disease Prevention:</b> City Budget</p>
<p><b>Family League of Baltimore Grants:</b> Family League of Baltimore</p>	<p><b>Maryland School for the Deaf; Maryland School for the Blind; Blind Industries and Services of Maryland; Grants to Educational Agencies; Juvenile Services Education Program:</b> State Budget</p>	<p><b>Baltimore City Police Department:</b> City Budget</p>
<p><b>City Budget:</b> School Health Services, Youth Violence Prevention, Department of Housing and Community Development (DHCD): Child Care &amp; Summer Food Program, Education Grants, Mayor’s Office of Employment Development: Youth Programs; Head Start Juvenile Justice; &amp; Sheriff: Child Support</p>		<p><b>Mayor’s Office:</b> Arts &amp; Culture, Office of Criminal Justice, Office of Human Services, Office of Neighborhoods: City Budget</p>
<p><b>Housing Subsidies &amp; Public Housing Sites:</b> Housing Authority of Baltimore City Financial Reports</p>		<p><b>Mayor’s Office of Employment Development (Non-Youth Programs):</b> Allocated with Percent of Young Adults (Aged 15-24) in the City Working-Age Population (Aged 15-79)</p>
<p><b>Behavioral Health System Baltimore Investments:</b> Behavioral Health System Baltimore</p>		
<p><b>Federal Grants Awarded Directly to Community:</b> Federal Assistance Award Data System</p>		
<p><b>Philanthropic Investments:</b> Survey of Institutions</p>		

<sup>47</sup> See the appendix for more detail and links to data sources.



# Healthy Babies

## Why Does It Matter?

Baltimore's Promise has a goal: All Babies are Born Healthy. Health conditions affect a child's ability to learn and develop, starting in the earliest days and months of life. Children born pre-term or at a low birthweight have lower cognitive scores, increased incidence of ADHD, and more behavioral problems at school age. Very low birthweight (<750g or 1.65 pounds) children face similar problems of social, behavioral, and attention problems throughout childhood. Additionally, being born at low birthweight increases the chances of mortality and morbidity.

Baltimore City mothers continue to have a higher percentage of babies born at a low birthweight compared to the state's average. Babies born healthy is an outcome that has been prioritized by the City of Baltimore, the State of Maryland, and the U.S. Department of Health and Human Services. It is the call to action and the foundation of B'more for Healthy Babies, whose vision is that "all of Baltimore's babies are born at a healthy weight, full term, and ready to thrive in healthy families." Baltimore's Promise found that between 2009 and 2014:

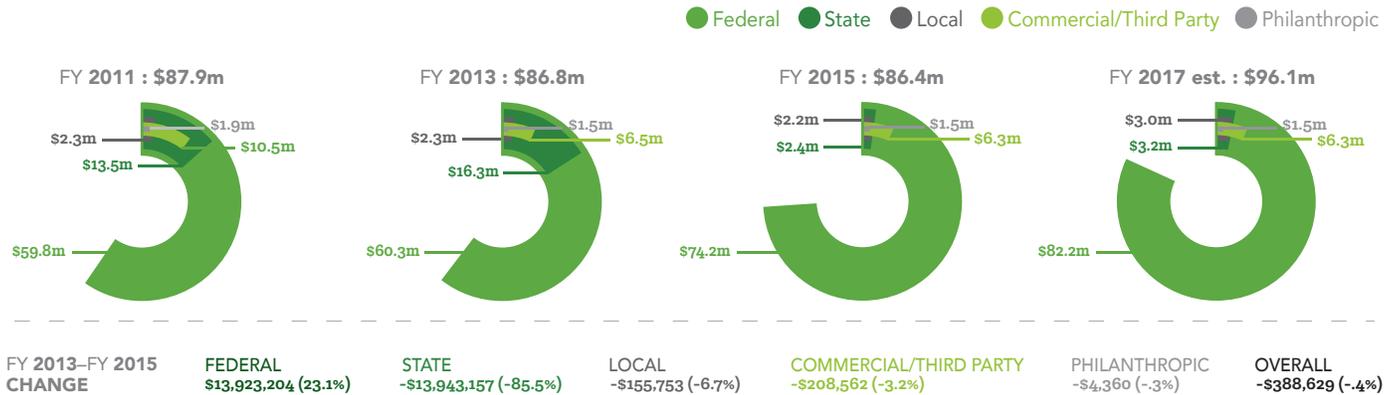
- **Infant Mortality Rate**  
**DOWN 23%**  
(from 13.5 to 10.4 per 1,000 births)
- **Low Birthweights**  
**DOWN 10%**  
(from 12.8 to 11.5 per 1,000 births)
- **Teen Birth Rate**  
**DOWN 9.7%**  
(from 45 to 41 per 1,000 births)



## Investments by Funding Source

Overall investments in strategies to support this outcome area have decreased, but are expected to rebound in FY 2017. Many of the changes in federal and state investments between FY 2013 and FY 2015 are related to 100% federal payments for children under age 1 through the Affordable Care Act (ACA) Medicaid expansion. Between FY 2015 and FY 2017, federal funding for Maternal & Child Health in the Baltimore City Health

Department increased \$5.3 million. Commercial/Third Party funds are Neonatal Intensive Care Unit (NICU) charges with an anticipated commercial or third party payer. NICU charges with an anticipated payer of Medicaid are assumed to be accounted for in the reported Medicaid payments for children under age one. See below for NICU charges detail by ZIP code and expected payer for FYs 2011, 2013, and 2015.



## Investments by Function & Sub-Function

The table below details investments related to health and human services sub-functions. Health – General investments includes Medicaid payments for children under age one. Nutrition Services are check reimbursements through the

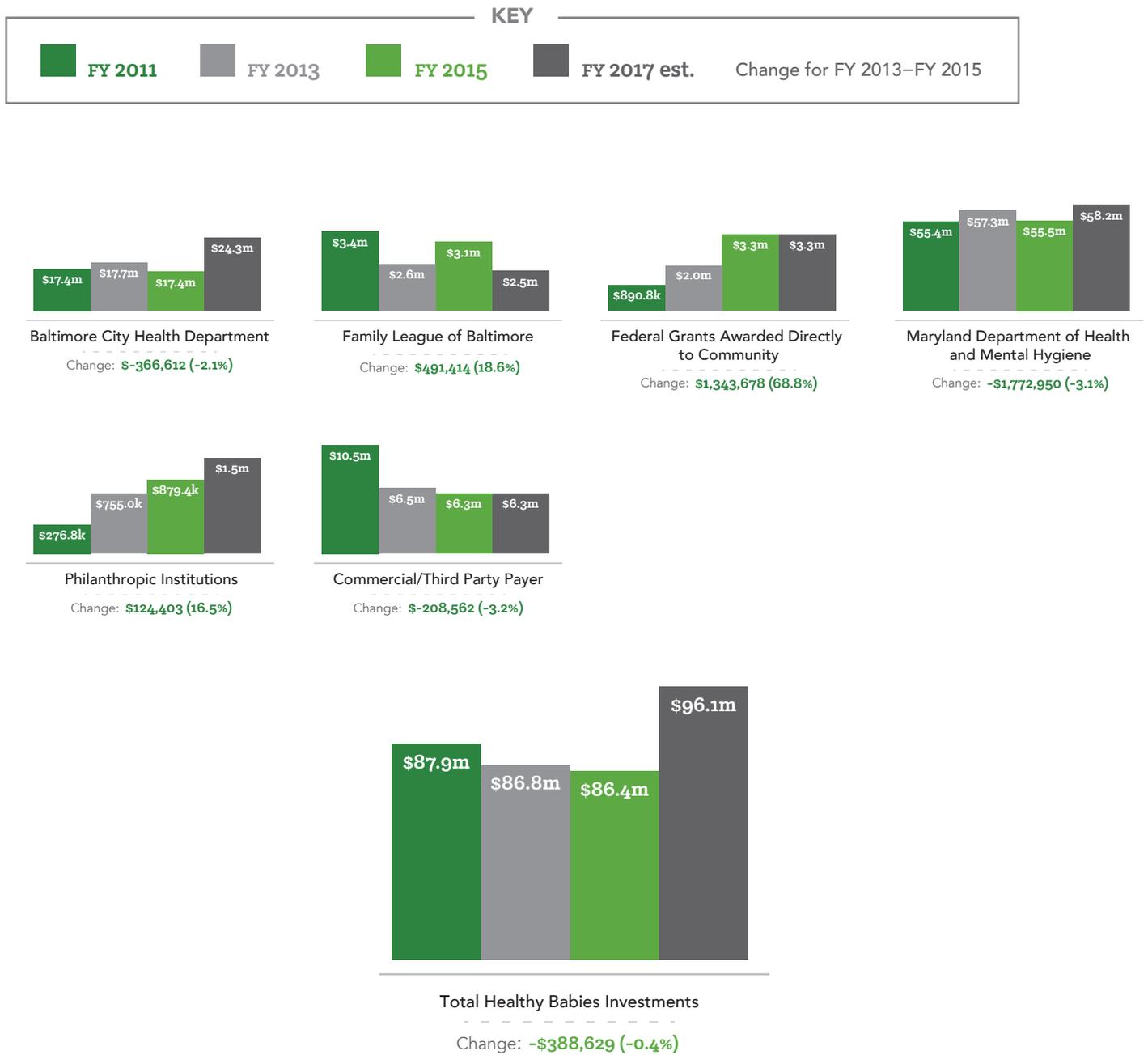
WIC program and related administrative grants. NICU Charges with commercial/third party payers are reported under Maternal & Child Health.

	FY 2011	FY 2013	FY 2015	FY 2017 est.	FY 2013–FY 2015 CHANGE
<b>HEALTH</b>	<b>\$62,646,950</b>	<b>\$58,830,364</b>	<b>\$59,033,170</b>	<b>\$66,569,636</b>	<b>\$202,806 (0.3%)</b>
Maternal & Child Health	\$30,151,112	\$29,287,637	\$28,106,122	\$28,705,339	-\$1,181,515 (-4.0%)
Health - General	\$32,495,838	\$29,542,727	\$30,927,048	\$37,864,297	\$1,384,321 (4.7%)
<b>HUMAN SERVICES</b>	<b>\$25,279,332</b>	<b>\$27,997,095</b>	<b>\$27,405,661</b>	<b>\$29,520,898</b>	<b>-\$591,435 (-2.1%)</b>
Nutrition Services	\$25,279,332	\$27,997,095	\$27,405,661	\$29,520,898	-\$591,435 (-2.1%)
<b>TOTAL</b>	<b>\$87,926,282</b>	<b>\$86,827,459</b>	<b>\$86,438,830</b>	<b>\$96,090,534</b>	<b>-\$388,629 (-0.4%)</b>

# Investments by Agency Source

The graphs below detail Healthy Babies' investments by agency source.<sup>48</sup> Baltimore City Health Department investments support Maternal and Child Health services. Department of Health and Mental Hygiene (DHMH) Medical Care Programs Administration spending is for Medicaid payments for children under one year old, while DHMH Prevention and Health Promotion Administration investments are check reimbursements through

the Women, Infants, and Children (WIC) program and related administrative grants. U.S. Department of Health and Human Services grants include support for Baltimore City Healthy Start, Strong Start for Mothers and Newborns, and for abandoned infants due to families dealing with challenges resulting from substance abuse and/or HIV/AIDS.

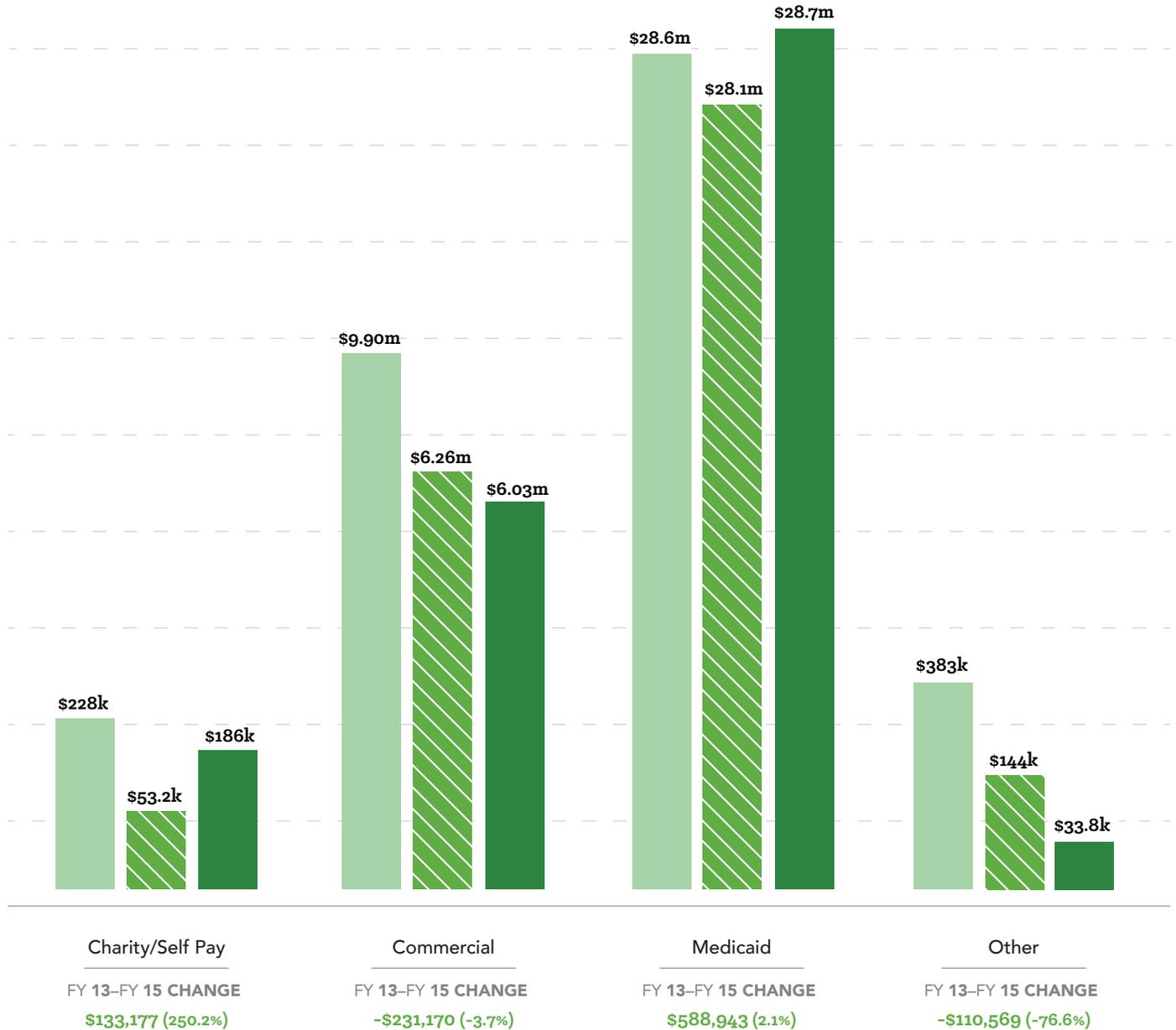


<sup>48</sup> Family League of Baltimore (FLB) reported B'more for Healthy Babies grants with a funding source of CareFirst Foundation; and Annie E. Casey Foundation (AECF) staff reported total CareFirst Foundation grants for B'more for Healthy Babies. The additional grant amounts reported by AECF staff – \$325,000 in FY 2013 and \$155,500 in FY 2015 – are reported with a Philanthropic Institution agency source; and the grants reported by FLB are reported with an agency source of FLB.

# Neonatal Intensive Care Unit Charges

Department of Health and Mental Hygiene (DHMH) Health Services Cost Review Commission staff reported FYs 2011, 2013, and 2015 Neonatal Intensive Care Unit (NICU) charges for city residents by both expected payer and by ZIP code, as detailed in the charts below. At the time of service, hospitals

report the anticipated payer, which may be different from the eventual payer. After decreasing \$4.6 million between FY 2011 and FY 2013, NICU charges have increased \$380,381, or 1.1%, to \$34,968,719 in FY 2015. Despite the slight increase in fiscal 2015, NICU charges are still below FY 2011 charges.



Total NICU Charges | FY 2011 : \$39,140,650 | FY 2013 : \$34,588,338 | FY 2015 : \$34,968,719 | FY 2013-FY 2015 : \$380,381 (1.1%) CHANGE

■ FY 2011 
 ■ FY 2013 
 ■ FY 2015

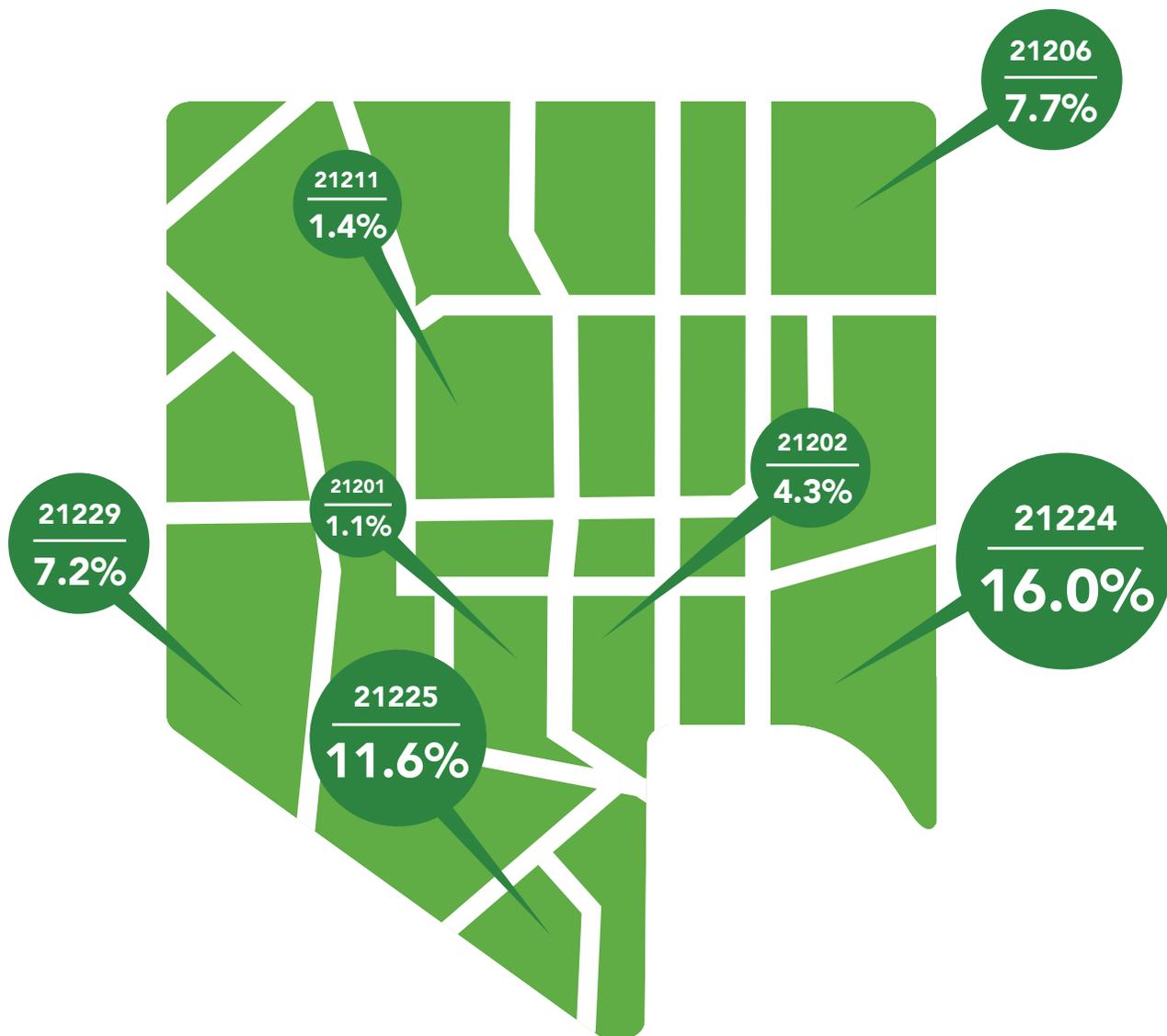
## NICU Charges by ZIP Code

NICU charges in ZIP code 21239 (Northeast Baltimore) continued a steep decline to \$483,683 in FY 2015, after decreasing \$2,370,755 in FY 2011 to \$1,582,423 in fiscal 2013. Other ZIP codes with large decreases in NICU charges between FY 2011 and FY 2013 included 21201, 21218, and 21230. Conversely,

NICU charges in ZIP code 21224 (Southeast Baltimore) increased \$3.3 million from fiscal 2013 to \$5,596,381 in FY 2015, accounting for 16% of total city charges. NICU charges also increased \$2.4 million in ZIP code 21225 (Southwest Baltimore) to \$4,053,415, or 11.6% of total FY 2015 charges.

	FY 2011	FY 2013	FY 2015	FY 2013–FY 2015 CHANGE	TOTAL FY 2015 NICU CHARGES
21201	\$1,034,681	\$1,304,232	\$390,318	-\$913,914 (-70.1%)	1.1%
21202	\$661,416	\$1,267,426	\$1,518,243	\$250,817 (19.8%)	4.3%
21203	\$0	\$112,775	\$5,664	-\$107,111 (-95.0%)	0.0%
21205	\$1,410,113	\$1,830,332	\$1,271,980	-\$558,352 (-30.5%)	3.6%
21206	\$4,690,206	\$2,520,150	\$2,680,977	\$160,827 (6.4%)	7.7%
21209	\$334,064	\$987,827	\$565,371	-\$422,456 (-42.8%)	1.6%
21210	\$150,788	\$107,131	\$35,162	-\$71,969 (-67.2%)	0.1%
21211	\$881,983	\$456,822	\$496,168	\$39,346 (8.6%)	1.4%
21212	\$736,378	\$490,049	\$622,443	\$132,394 (27.0%)	1.8%
21213	\$2,533,197	\$2,364,817	\$1,966,863	-\$397,954 (-16.8%)	5.6%
21214	\$1,375,448	\$1,580,222	\$1,229,721	-\$350,501 (-22.2%)	3.5%
21215	\$1,530,671	\$1,994,259	\$2,086,164	\$91,905 (4.6%)	6.1%
21216	\$1,641,472	\$2,517,630	\$1,548,902	-\$968,728 (-38.5%)	4.4%
21217	\$2,777,059	\$1,454,571	\$1,581,974	\$127,403 (8.8%)	4.5%
21218	\$3,048,094	\$2,959,440	\$1,790,074	-\$1,169,366 (-39.5%)	5.1%
21223	\$1,632,897	\$2,084,040	\$1,749,666	-\$334,374 (-16.0%)	5.0%
21224	\$3,536,720	\$2,264,768	\$5,596,381	\$3,331,613 (147.1%)	16.0%
21225	\$1,586,630	\$1,686,491	\$4,053,415	\$2,366,924 (140.3%)	11.6%
21229	\$2,245,300	\$1,877,533	\$2,505,175	\$627,642 (33.4%)	7.2%
21230	\$1,524,128	\$2,749,649	\$1,637,456	-\$1,112,193 (-40.4%)	4.7%
21231	\$504,412	\$395,751	\$1,152,919	\$757,168 (191.3%)	3.3%
21239	\$2,370,755	\$1,582,423	\$483,683	-\$1,098,740 (-69.4%)	1.4%
<b>TOTAL</b>	<b>\$36,161,412</b>	<b>\$34,588,338</b>	<b>\$34,968,719</b>	<b>\$380,381 (1.1%)</b>	<b>100%</b>

### Percent of Total NICU Charges for Select Baltimore City ZIP Codes





# Kindergarten Readiness

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## ***Why Does It Matter?***

Baltimore's Promise has a goal: Children Enter Kindergarten Ready to Succeed in School. Early childhood is a time of remarkable and rapid transformation. Children who are ready for Kindergarten are twice as likely as those who are not to complete middle school with strong academic and social skills. This trend is evident in Baltimore City, where a longitudinal study, published in 2014, demonstrated that public school students who entered school ready to learn in Kindergarten continued to achieve well

into 6th grade compared to their peers who continued to lag behind. Baltimore's Promise uses one key metric to measure progress in this area -- the percentage of students demonstrating readiness on the Kindergarten Readiness Assessment (KRA). During the 2015-2016 school year, 42% of Baltimore City students demonstrated readiness on the KRA, a decrease from the 2014-2015 rate of 48%.

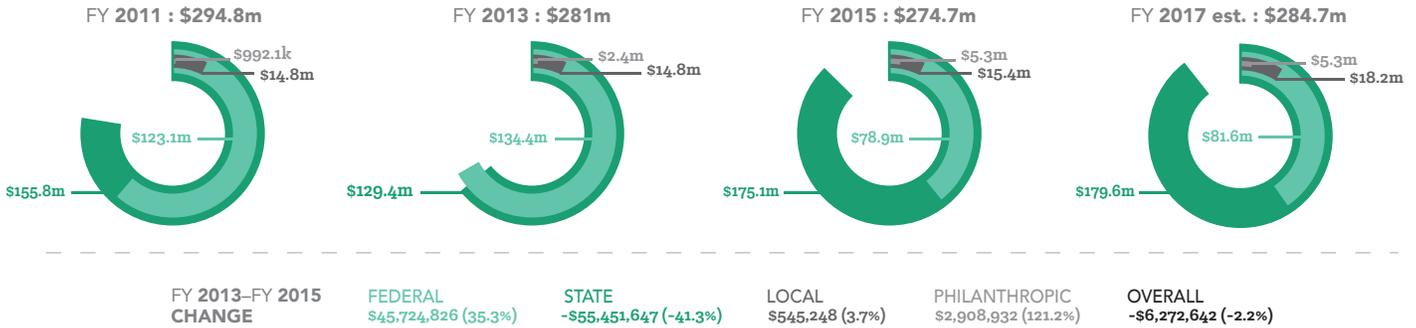


## Investments by Funding Source

Overall investments in Kindergarten Readiness strategies have decreased. Local Kindergarten readiness investments include allocated Baltimore City Public Schools (BCPS) pre-K-12 local spending. The increase in federal funds and the related decrease in state funds between FY 2013 and FY 2015 are primarily due to most Medicaid payments for children 1 – 5 years of age

being funded entirely with federal funds after the Affordable Care Act (ACA) Medicaid expansion. Federal funding through the American Recovery and Reinvestment Act (ARRA) economic stimulus package peaked in FY 2011, particularly for BCPS pre-K-12 education spending. As ARRA funding decreased in FY 2013, increased state funding helped supplement lapsing federal aid.

● Federal ● State ● Local ● Philanthropic



## Investments by Function and Sub-Function

The table below details Kindergarten Readiness investments by health and education sub-function. Health – General spending includes Medicaid payments for children one to five years of age. Behavioral Health spending are investments in Early Childhood

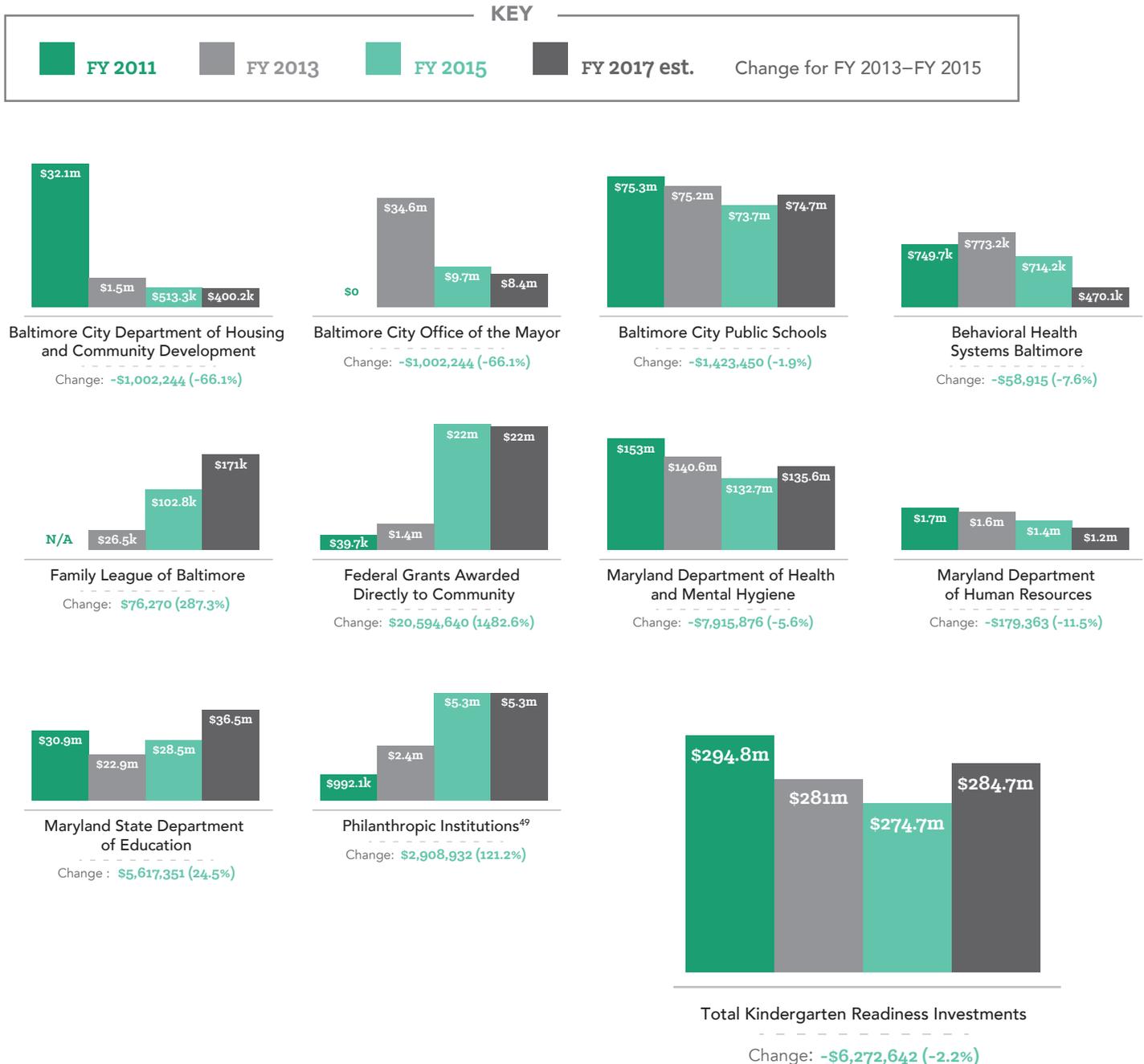
Mental Health. Education investments includes those reported as early education and child care grants made by philanthropic institutions. K-12 Education also includes BCPS pre-K spending.

	FY 2011	FY 2013	FY 2015	FY 2017 est.	FY 2013–FY 2015 CHANGE
<b>EDUCATION</b>	<b>\$140,975,482</b>	<b>\$139,580,274</b>	<b>\$141,274,185</b>	<b>\$418,629,352</b>	<b>\$1,693,911 (1.2%)</b>
Early Education & Child Care	\$65,448,627	\$63,684,916	\$66,972,323	\$73,301,450	\$3,287,407 (5.2%)
K-12 Education	\$75,526,854	\$75,895,358	\$74,301,862	\$75,321,902	-\$1,593,495 (-2.1%)
<b>HEALTH</b>	<b>\$153,783,294</b>	<b>\$141,427,720</b>	<b>\$133,461,167</b>	<b>\$136,079,828</b>	<b>-\$7,966,553 (-5.6%)</b>
Behavioral Health	\$789,441	\$812,922	\$762,244	\$470,080	-\$50,678 (-6.2%)
Health-General	\$152,993,853	\$140,614,798	\$132,698,922	\$135,609,748	-\$7,915,876 (-5.6%)
<b>TOTAL</b>	<b>\$294,758,775</b>	<b>\$281,007,994</b>	<b>\$274,735,352</b>	<b>\$284,709,180</b>	<b>-\$6,272,642 (-2.2%)</b>

# Investments by Agency Source

The graphs below detail Kindergarten Readiness investment by agency source. As previously noted, funding shifts between the local (Baltimore City Department of Housing and Community Development [DHCD] in FY 2011 and the Mayor’s Office of Human Services in FY 2013) and federal (U.S. Department of Health and Human Services – Administration for Children and Families in FY 2015) sources are related to changes in the agency source for Head Start funding. Day care services

in public housing sites remains budgeted in DHCD. Investments in Department of Health and Mental Hygiene (DMHM) Medical Care Programs Administration are Medicaid payments for children one to five years of age. Department of Human Resources (DHR) Family Investment Administration staff determine and process eligibility for the child care subsidy program, which is budgeted under Maryland State Department of Education’s (MSDE) Aid to Education program.



<sup>49</sup> Philanthropic grants for early childhood education and child care, non-specified general education grants, for example Teach for America – Baltimore or New Leaders for New Schools, are allocated to the Kindergarten Readiness fund map, based upon with BCPS’ pre-K-12 enrollment, by school. If an education grant specified a purpose for another outcome area, the grant was not allocated to the Kindergarten Readiness fund map. For example, a grant to a middle school is counted as Grade Level Achievement or a grant to a high school is counted as High School Graduation.





# Grade Level Achievement

## Why Does It Matter?

Baltimore's Promise has a goal: Children and Youth Achieve at Grade Level or Above in School. Research shows that academic success is linked to increased high school graduation rates, college graduation, and adult outcomes such as income and employment. This connection begins early. Students who cannot read at grade level by 3rd grade are four times less likely to graduate from high school on time than children who can. Reading achievement predicts the likelihood of graduating from high school and attending college as well as career success.

Likewise, mathematics competence is related to higher rates of high school graduation, higher levels of employability, and higher earnings in adulthood. Data from the 2015 National Assessment of Educational Progress (NAEP), a review administered every two years to a sample of 4th and 8th grade students in all 50 states and 21 large cities, including Baltimore, illustrates the need for progress. Baltimore's Promise tracks two key indicators under this outcome area:

### **The percent of Baltimore City Public Schools (BCPS) students meeting or exceeding readiness on the Partnership for Assessment of Readiness for College and Careers (PARCC) in 2015:**

- **English Language Arts Literacy: Grade 3-20.5% and Grade 8-13.9%**
- **Math: Grade 3-17.9% and Grade 8-5.7%**

### **Percent of BCPS students reaching advanced or proficient levels on NAEP in 2015:**

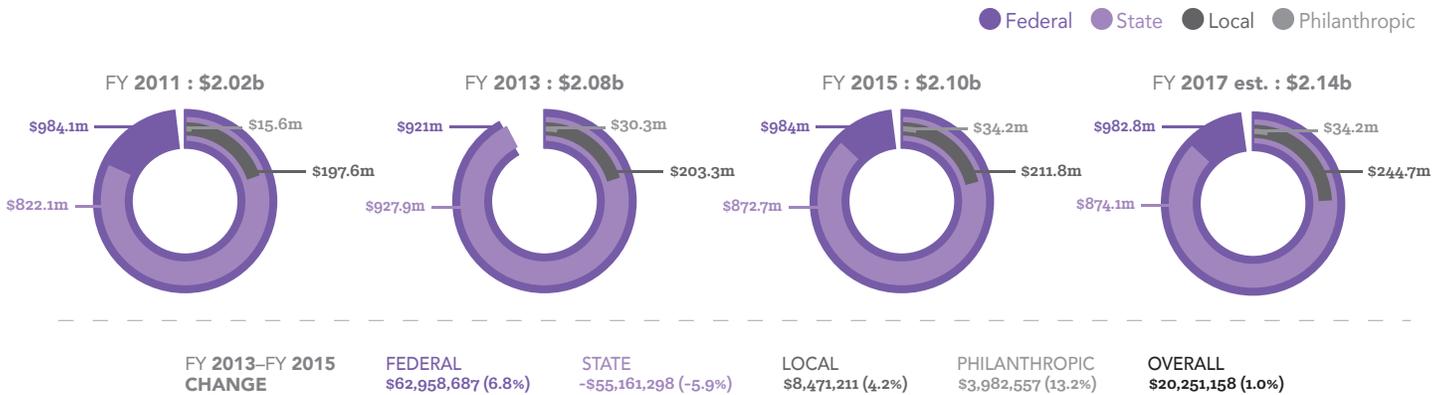
- **Reading: Grade 4- 11.5% and Grade 8-12.9%**
- **Math: Grade 4-12.0% and Grade 8-12.0%**



# Investments by Funding Source

Overall, investments in Grade Level Achievement strategies have increased. Similar to the Kindergarten Readiness fund map, the impact of ARRA funding is evident in the shift between federal and state funding between FY 2011 and FY 2013.

The federally funded ACA Medicaid expansion for payments on behalf of children 6 – 14 years of age accounts for a portion of the increase in federal funds between FY 2013 and FY 2015.



# Investments by Function and Sub-Function

The table below details Grade Level Achievement funding, by sub-function. The pronounced changes occur under Human Services with notable decreases in investments for Child Welfare (-11%) and Nutrition (-7.2%) services, and an increase on behalf

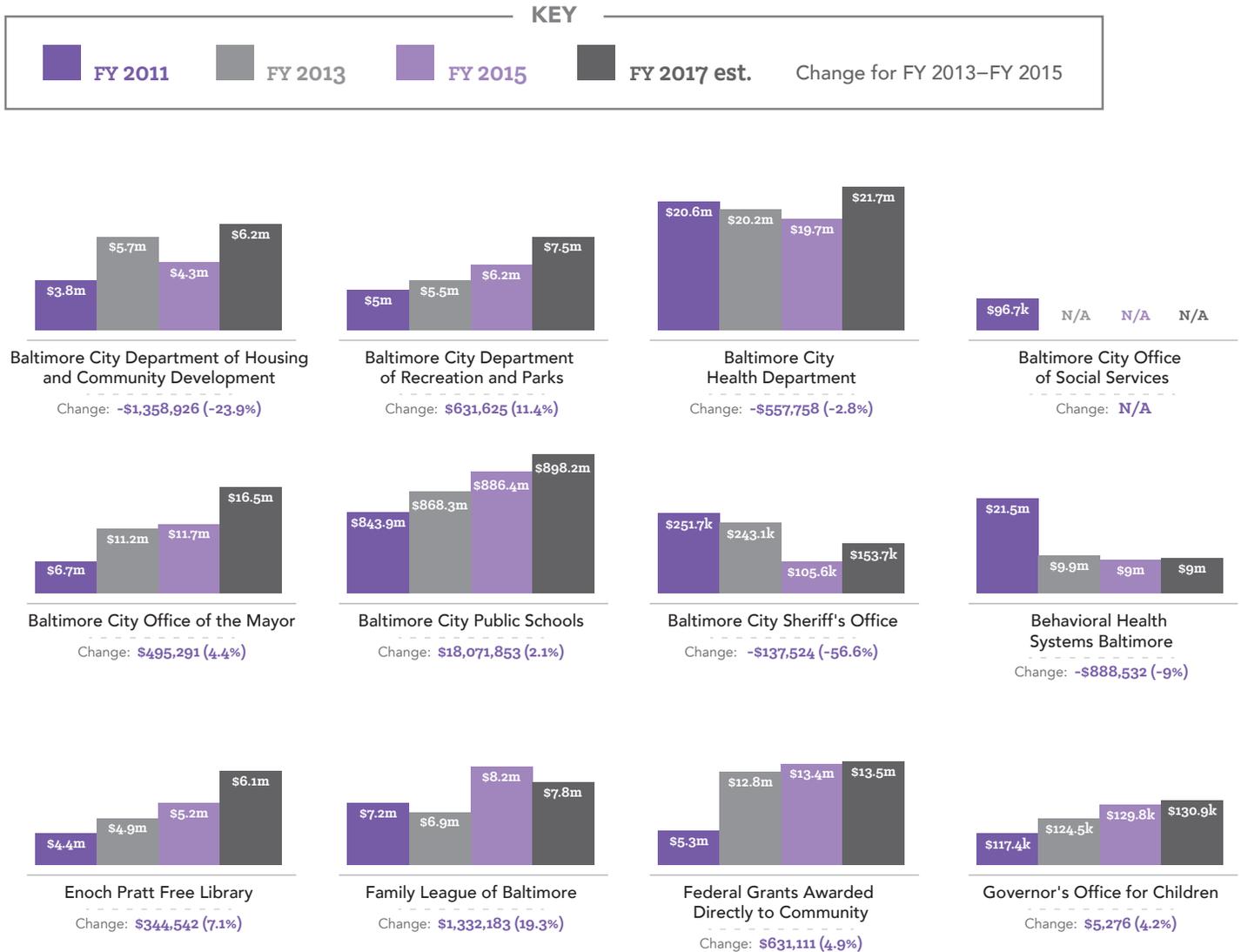
of Work/Family Support (9.2%) strategies. Youth Development sub-function investments increased (8.6%), with the largest percentage (122%) focused on Mentoring & Tutoring activities.

	FY 2011	FY 2013	FY 2015	FY 2017 est.	FY 2013–FY 2015 CHANGE
<b>EDUCATION</b>	<b>\$857,859,376</b>	<b>\$901,101,977</b>	<b>\$911,826,856</b>	<b>\$927,573,840</b>	<b>\$10,724,879 (1.2%)</b>
K-12	\$857,859,376	\$901,101,977	\$911,826,856	\$927,573,840	\$10,724,879 1.2%
<b>HEALTH</b>	<b>\$297,376,360</b>	<b>\$288,027,446</b>	<b>\$296,592,050</b>	<b>\$304,745,379</b>	<b>\$8,564,605 (3.0%)</b>
Behavioral Health	\$27,478,089	\$15,006,161	\$14,086,554	\$14,327,020	-\$919,607 (-6.1%)
Health - General	\$268,898,271	\$273,021,285	\$282,505,497	\$290,418,359	\$9,484,212 (3.5%)
<b>HUMAN SERVICES</b>	<b>\$790,182,774</b>	<b>\$814,501,933</b>	<b>\$808,939,699</b>	<b>\$813,834,878</b>	<b>-\$5,562,234 (-0.7%)</b>
Child Welfare	\$196,801,411	\$149,613,968	\$133,160,751	\$137,431,252	-\$16,453,217 (-11.0%)
Housing & Homeless	\$175,593,907	\$195,475,065	\$204,620,736	\$214,199,852	\$9,145,671 (4.7%)
Nutrition	\$202,824,651	\$252,905,689	\$234,633,758	\$225,201,403	-\$18,271,932 (-7.2%)
Work/Family Support	\$214,962,805	\$216,507,211	\$236,524,454	\$237,002,372	\$20,017,243 (9.2%)
<b>PUBLIC SAFETY</b>	<b>\$54,956,167</b>	<b>\$54,822,502</b>	<b>\$57,383,607</b>	<b>\$59,392,072</b>	<b>\$2,561,105 (4.7%)</b>
Juvenile Justice	\$54,956,167	\$54,822,502	\$57,383,607	\$59,392,072	\$2,561,105 (4.7%)
<b>YOUTH DEVELOPMENT</b>	<b>\$19,046,484</b>	<b>\$24,027,374</b>	<b>\$27,990,177</b>	<b>\$30,303,756</b>	<b>\$3,962,803 (16.5%)</b>
After School & Summer Learning	\$6,044,626	\$8,319,843	\$10,740,236	\$10,150,683	\$2,420,393 (29.1%)
Arts & Culture	\$6,680,494	\$9,222,691	\$8,933,240	\$9,833,081	-\$289,450 (-3.1%)
Mentoring & Tutoring	\$1,092,990	\$765,364	\$1,938,579	\$2,573,181	\$1,173,214 (153.3%)
Recreation & Parks	\$5,228,374	\$5,719,477	\$6,378,122	\$7,746,811	\$658,646 (11.5%)
<b>TOTAL</b>	<b>\$2,019,421,160</b>	<b>\$2,082,481,233</b>	<b>\$2,102,732,390</b>	<b>\$2,135,849,925</b>	<b>\$20,251,158 (1.0%)</b>

# Investments by Agency Source

Most investments, including Baltimore City Public Schools (BCPS) spending, are allocated between the Grade Level Achievement and High School Graduation fund maps with BCPS K-12 enrollment by school. While BCPS enrollment for High School students has steadily declined, enrollment for Elementary and Middle School students increased slightly between

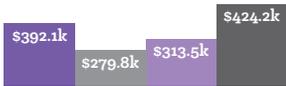
FY 2013 and FY 2015 and was up 5.9% between FY 2011 and FY 2015. The relative enrollment trends for Elementary and Middle School students compared to High School students, coupled with flat funding, is one driver of the increase in Grade Level Achievement spending between FY 2013 and FY 2015.





Housing Authority of Baltimore City

Change: \$6,340,590 (3.5%)



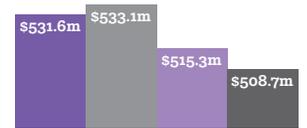
Maryland Attorney General

Change: \$33,723 (12.1%)



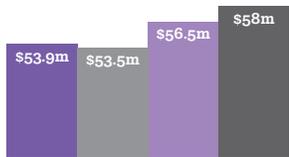
Maryland Department of Health and Mental Hygiene

Change: \$11,907,593 (4.8%)



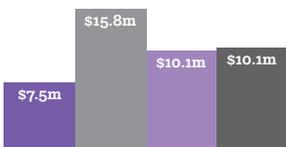
Maryland Department of Human Resources

Change: -\$17,811,543 (-3.3%)



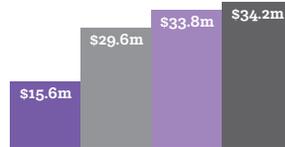
Maryland Department of Juvenile Justice

Change: \$2,954,543 (5.5%)



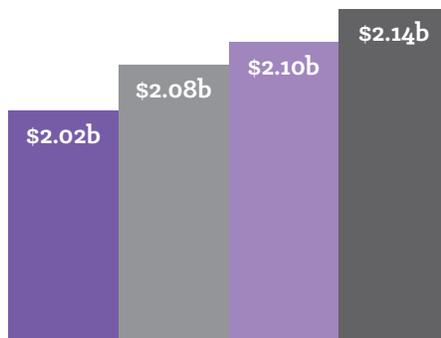
Maryland State Department of Education

Change: -\$5,724,344 (-36.2%)



Philanthropic Institutions

Change: \$4,210,386 (14.2%)



Total Grade Level Achievement Investments

Change: \$20,251,158 (1.0%)



# High School Graduation

## Why Does It Matter?

Baltimore's Promise has a goal: Youth Graduate from High School Prepared for the Next Step without Remediation. High School graduation is a strong predictor of lifelong success and positively affects an individual's life. Nationally, individuals over the age of 16 without a high school diploma face a 14% unemployment rate, according to recent Department of Labor data. For those between the ages of 16 and 19 years, more than one in four cannot find a job. Though the percentage of students graduating in four years has been steadily improving, the performance of Baltimore City students is significantly

below the statewide average. Maryland requires that all students fulfill testing requirements, via the High School Assessment, in order to receive a high school diploma. There is relatively little agreement about what constitutes college and career readiness, or being prepared for the next step. In Baltimore City, a larger share of graduates require remediation when enrolling in college, compared to students from other jurisdictions. Baltimore's Promise tracks two key indicators for this outcome area:



### **Percentage of Baltimore City Public Schools (BCPS) students graduating from high school in the Class of 2014 within four or five years of enrollment:**

- 69.6% graduated within four years
- 74.9% graduated within five years

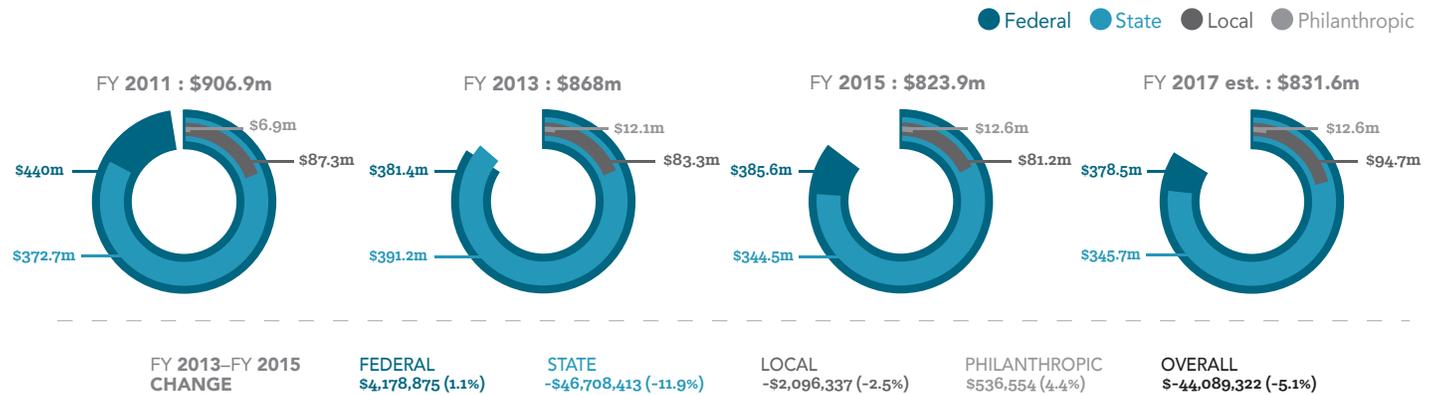
### **Percentage of BCPS high school graduates who need to take remedial courses in college:**

- In 2012, 76.6% of BCPS high school graduates who enrolled in a two-year or four-year college the fall following graduation needed at least one remedial course

## Investments by Funding Source

Overall, investments associated with High School Graduation strategies have decreased. The High School Graduation fund map includes Medicaid payments for children 15 – 18 years of age, which are mostly federally funded, due to the Affordable Care Act (ACA) Medicaid expansion, beginning in FY 2015 and

extending into FY 2017. As with the other education fund maps, American Reinvestment and Recovery Act (ARRA) federal funds, particularly in Baltimore City Public Schools (BCPS), peaked in FY 2011 with state funds supplementing lapsing federal funding.



## Investments by Function and Sub-Function

The table below details High School Graduation funding, by sub-function. The pronounced changes occur under Human Services with notable decreases in investments for Child Welfare (-17%) and Nutrition (-13.4%) services. Investments under the Education

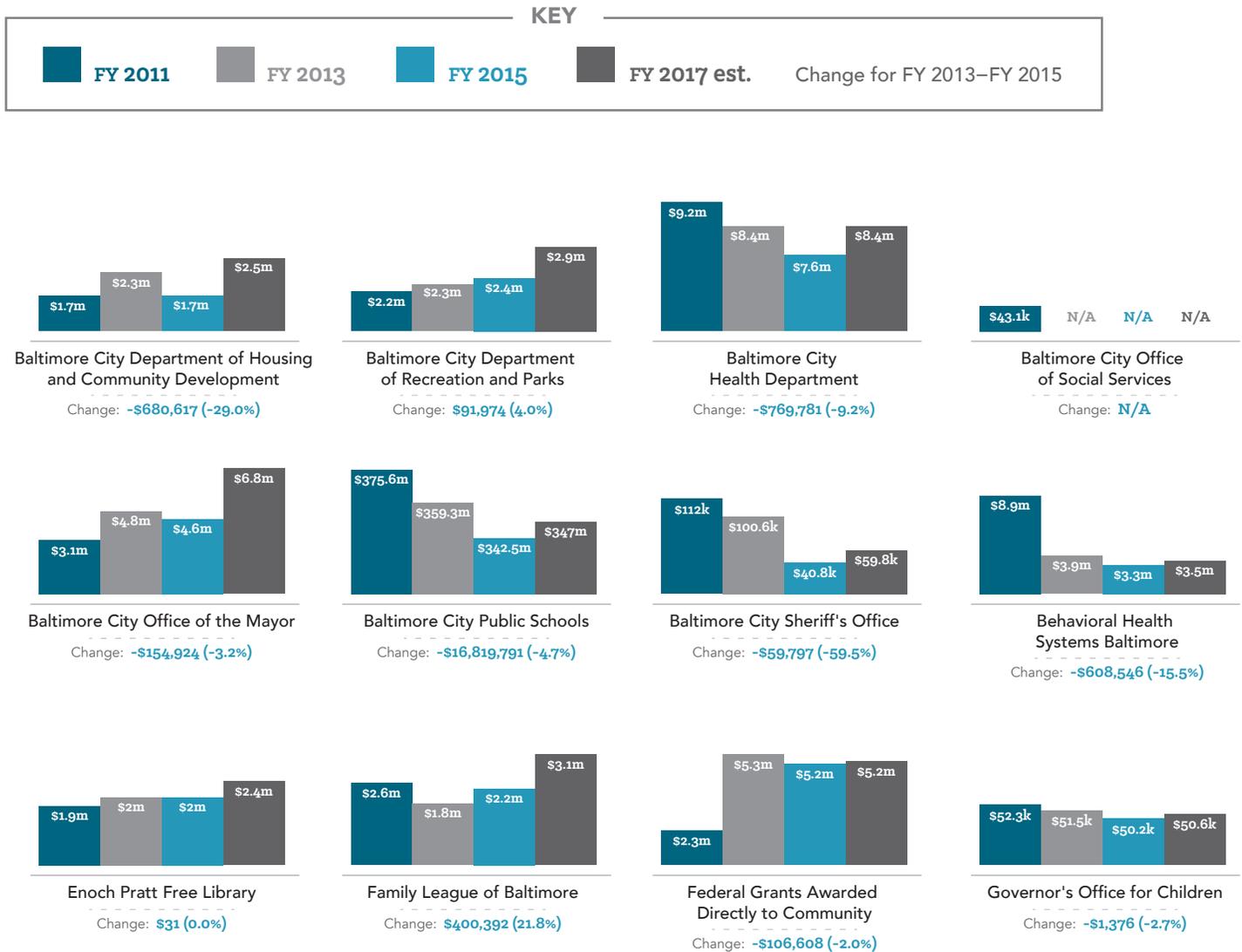
sub-function also decreased, due to corresponding reductions on behalf of K-12 Education. Youth Development sub-function investments increased (8.6%), with the largest percentage (122%) focused on Mentoring & Tutoring activities.

	FY 2011	FY 2013	FY 2015	FY 2017 est.	FY 2013–FY 2015 CHANGE
<b>EDUCATION</b>	<b>\$381,883,134</b>	<b>\$372,742,670</b>	<b>\$352,203,903</b>	<b>\$385,605,344</b>	<b>-\$20,538,767 (-5.5%)</b>
K-12	\$381,883,134	\$372,742,670	\$352,203,903	\$385,605,344	-\$20,538,767 (-5.5%)
<b>HEALTH</b>	<b>\$141,069,829</b>	<b>\$126,697,236</b>	<b>\$127,333,552</b>	<b>\$130,977,508</b>	<b>\$636,316 (0.5%)</b>
Behavioral Health	\$11,577,081	\$6,054,845	\$5,221,557	\$5,463,296	-\$833,287 (-13.8%)
Health - General	\$129,492,748	\$120,642,392	\$122,111,995	\$125,514,212	-\$1,469,603 (-1.2%)
<b>HUMAN SERVICES</b>	<b>\$351,747,314</b>	<b>\$337,019,371</b>	<b>\$312,584,047</b>	<b>\$307,684,681</b>	<b>-\$24,435,324 (-7.3%)</b>
Child Welfare	\$87,613,023	\$61,906,305	\$51,448,263	\$53,098,222	-\$10,485,043 (-16.9%)
Housing & Homeless	\$78,162,840	\$80,882,415	\$79,077,690	\$77,888,244	-\$1,804,725 (-2.2%)
Nutrition	\$90,284,172	\$104,645,690	\$90,653,583	\$87,009,279	-\$13,992,106 (-13.4%)
Work/Family Support	\$95,687,279	\$89,584,961	\$91,404,511	\$89,688,936	\$1,819,550 (2.0%)
<b>PUBLIC SAFETY</b>	<b>\$24,462,865</b>	<b>\$22,684,102</b>	<b>\$22,107,849</b>	<b>\$22,946,844</b>	<b>-\$513,253 (-2.3%)</b>
Juvenile Justice	\$24,304,656	\$22,416,270	\$22,059,555	\$22,835,550	-\$356,715 (-1.6%)
Juvenile Justice Reform	\$158,209	\$267,833	\$111,294	\$111,294	-\$156,539 (-58.4%)
<b>YOUTH DEVELOPMENT</b>	<b>\$7,817,890</b>	<b>\$8,874,599</b>	<b>\$9,636,307</b>	<b>\$11,347,518</b>	<b>\$761,708 (8.6%)</b>
After School & Summer Learning	\$2,027,418	\$2,350,237	\$2,961,584	\$3,551,136	\$611,346 (26.0%)
Arts & Culture	\$2,976,617	\$3,816,106	\$3,451,465	\$3,799,130	-\$364,640 (-9.6%)
Mentoring & Tutoring	\$486,527	\$341,688	\$758,993	\$1,004,179	\$417,306 (122.1%)
Recreation & Parks	\$2,327,328	\$2,366,568	\$2,464,264	\$2,993,074	\$97,696 (4.1%)
<b>TOTAL</b>	<b>\$906,931,032</b>	<b>\$868,017,979</b>	<b>\$823,928,658</b>	<b>\$831,561,895</b>	<b>-\$44,089,322 (-5.1%)</b>

# Investments by Agency Source

As with the Grade Level Achievement fund map, most investments, including BCPS spending, are currently allocated to the High School Graduation fund map, based upon with BCPS K-12 enrollment by school. In recent years, enrollment declines

have been steepest among high school students, which coupled with stagnant funding is leading to the steady decrease in High School Graduation investments.





Housing Authority of Baltimore City  
Change: **-\$2,508,332 (-3.4%)**



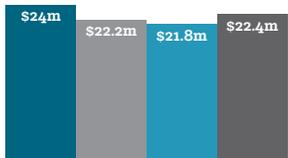
Maryland Attorney General  
Change: **\$5,360 (4.6%)**



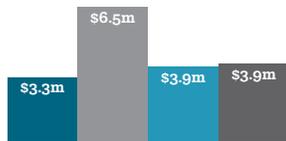
Maryland Department of Health and Mental Hygiene  
Change: **\$3,065,003 (2.8%)**



Maryland Department of Human Resources  
Change: **-\$21,495,677 (-9.7%)**



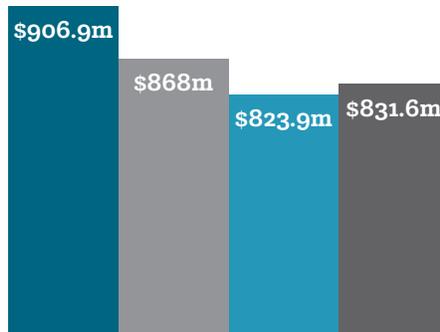
Maryland Department of Juvenile Justice  
Change: **-\$325,872 (-1.5%)**



Maryland State Department of Education  
Change: **-\$2,644,547 (-40.5%)**



Philanthropic Institutions  
Change: **\$655,721 (5.5%)**



Total High School Graduation Investments  
Change: **-\$44,089,322 (-5.1%)**



# Career Readiness

## Why Does It Matter?

Baltimore's Promise has a goal: Youth Earn Quality Post-Secondary Credentials or Receive Training and are Career Ready. A college degree can improve a wide range of life outcomes. According to recent Department of Labor data, those with a high school diploma earned an average of \$32,630 per year, while those with a bachelor's degree or more made \$70,523. Educational attainment is a measure of the human capital available in an area. Education attainment can also be a telling factor of the existing social inequality in an area. Lower educated individuals are more likely to live in poverty and experience unemployment. A bachelor's degree has also been linked with longer life expectancy, lower incarceration rates, and greater civic engagement.

Individuals who receive appropriate training (via apprenticeships or formal skills training programs) can secure employment

and earn a living wage. Research shows that individuals with professional certifications or licenses earn more than individuals without those credentials at each level of education below a bachelor's degree. Providing youth with the skills, knowledge, and experience relevant to the current demand and need for workers will help ensure that those youth will have the opportunity to begin successful careers and earn a living wage. In return, employers gain access to a wider pipeline of well-trained talent. Stakeholders expressed concern about the "readiness level" of the city's youth for college and career opportunities, as well as the ability to access those opportunities equally. The lack of focus on older youth, especially those disconnected from school and/or work, poses a tremendous opportunity for improvement and progress. Baltimore's Promise tracks three indicators on behalf of this outcome area:



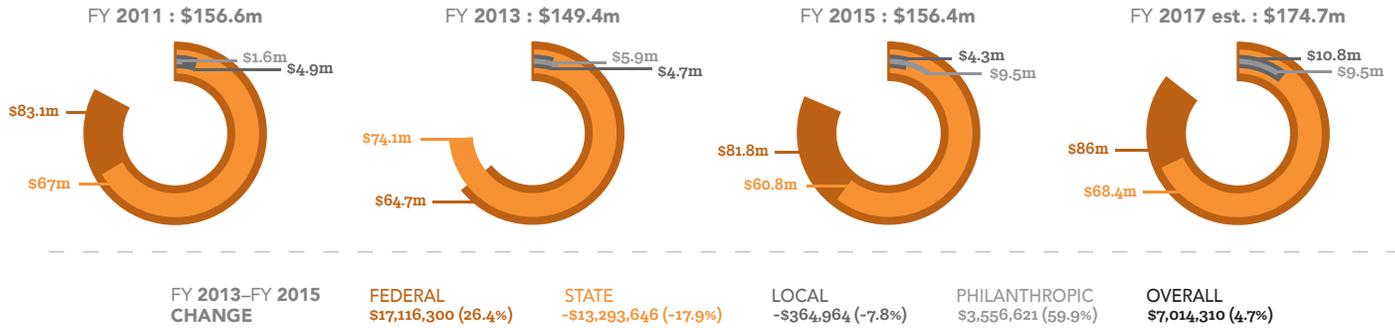
- **Postsecondary enrollment:**  
*In 2014, 49.0% of Baltimore City Public Schools graduates enrolled at a postsecondary institution within 12 months of high school graduation.*
- **Statewide six-year college graduation rate for Maryland's four-year public institutions:**  
*In 2014, 40.3% of students graduated within six years of college enrollment.*
- **Youth unemployment rate:**  
*In 2014, 26.2% of youths aged 16-24 were in the labor force and unemployed.*

## Investments by Funding Source

Overall, investments in Career Readiness strategies have increased. Investments from federal and philanthropic sources have increased significantly. Federal investments are due in large part to Affordable Care Act Medicaid expansion on behalf of those 19 – 20 years of age, which began in FY

2015 and extends into FY 2017. Though there was an overall decrease, local investments include \$.7 million in new funding through the Mayor’s Office of Employment Development, under the FY 2017 Career Connections for In-School Youth program.

● Federal ● State ● Local ● Philanthropic



## Investments by Function and Sub-Function

The table below details investments by the Employment Services/Training, Health, and Higher Education sub-functions. Investments increased overall under the Health sub-functions. Behavioral Health investments include student counseling at Baltimore City Community College, behavioral health services for transition-aged youth, and the Department of Health and Mental Hygiene (DHMH) Developmental Disabilities

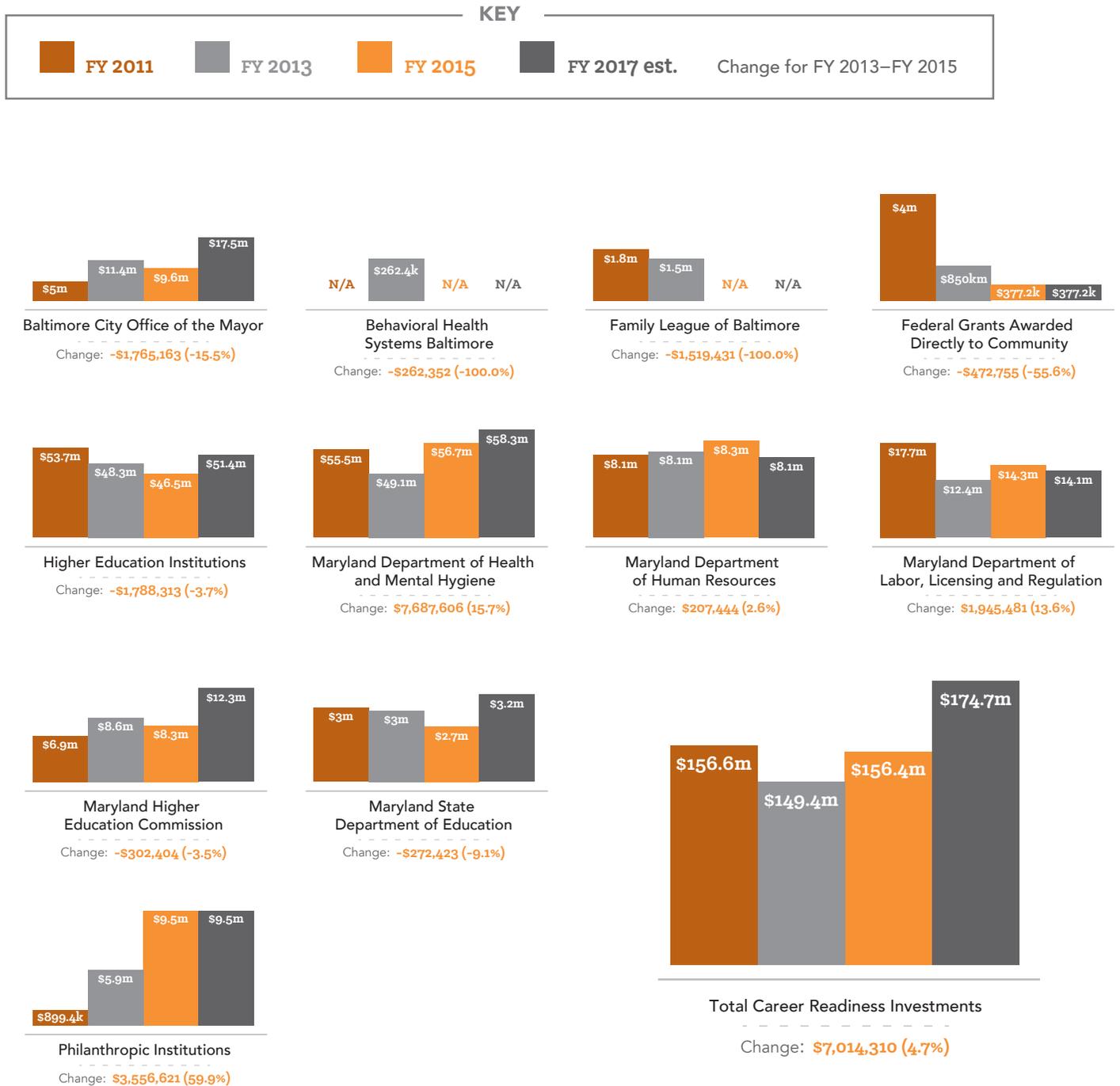
Administration’s Transitioning Youth program, which did not exist in FY 2011 or FY 2013. Investments in Health – General are Medicaid payments for young adults aged 19 – 20. Higher Education, the only sub-function to experience a decrease in investments (3.7%) includes spending on Higher Education Institutions and within in the Maryland Higher Education Commission.

	FY 2011	FY 2013	FY 2015	FY 2017 est.	FY 2013–FY 2015 CHANGE
<b>EMPLOYMENT SERVICES/TRAINING</b>	<b>\$40,431,634</b>	<b>\$43,132,405</b>	<b>\$44,812,178</b>	<b>\$52,739,608</b>	<b>\$1,679,774 (3.9%)</b>
Adult Education	\$632,159	\$711,502	\$684,674	\$747,829	-\$26,828 (-3.8%)
Career-Ready Young Adults	\$19,693,005	\$27,770,632	\$27,777,348	\$35,437,967	\$6,716 (0.0%)
Occupational Rehabilitation	\$3,029,722	\$3,005,700	\$2,733,277	\$3,184,448	-\$272,423 (-9.1%)
Workforce Development-Parents/Adults	\$17,076,749	\$11,644,571	\$13,616,880	\$13,369,364	\$1,972,309 (16.9%)
<b>HEALTH</b>	<b>\$55,520,373</b>	<b>\$49,323,992</b>	<b>\$56,749,246</b>	<b>\$58,266,073</b>	<b>\$7,425,254 (15.1%)</b>
Behavioral Health	—	\$262,352	\$1,351,239	\$1,605,975	\$1,088,887 (415.0%)
Health - General	\$55,520,373	\$49,061,640	\$55,398,007	\$56,660,098	\$6,336,367 (12.9%)
<b>HIGHER EDUCATION</b>	<b>\$60,613,526</b>	<b>\$56,977,631</b>	<b>\$54,886,915</b>	<b>\$63,646,170</b>	<b>-\$2,090,717 (-3.7%)</b>
Academic Support	\$4,215,805	\$4,178,627	\$4,026,171	\$4,392,840	-\$152,457 (-3.6%)
Auxiliary Support	\$6,898,157	\$5,978,258	\$5,633,470	\$6,177,673	-\$344,787 (-5.8%)
Institutional Support	\$9,433,694	\$8,686,590	\$8,954,187	\$9,970,198	\$267,598 (3.1%)
Instruction	\$14,768,730	\$15,558,640	\$15,184,681	\$17,648,963	-\$373,959 (-2.4%)
Operation of Plant	\$5,706,795	\$4,929,190	\$4,583,103	\$5,446,858	-\$346,087 (-7.0%)
Public Service	\$821,735	\$631,370	\$539,129	\$641,364	-\$92,241 (-14.6%)
Research	\$5,103,498	\$4,517,622	\$4,230,310	\$4,958,921	-\$287,312 (-6.4%)
Scholarships/Financial Aid	\$11,047,013	\$10,092,153	\$9,455,092	\$11,917,053	-\$637,061 (-6.3%)
Student Services	\$2,618,098	\$2,405,183	\$2,280,771	\$2,492,302	-\$124,412 (-5.2%)
<b>TOTAL</b>	<b>\$156,565,533</b>	<b>\$149,434,028</b>	<b>\$156,448,339</b>	<b>\$174,651,851</b>	<b>\$7,014,310 (4.7%)</b>

# Investments by Agency Source

The Higher Education Institutions in the Career Readiness fund map are limited to those institutions attended by Baltimore City Public Schools (BCPS) graduates in the graduating classes of 2007 through 2014, or the BCPS graduating cohort that could have been attending these institutions in FYs 2011, 2013 or 2015.<sup>50</sup> Between FY 2013 and FY 2015, the number of BCPS graduates attending state Higher Education

Institutions declined. The fiscal affect on the Career Readiness fund map of the lower funding for Higher Education Institutions in FY 2015 is amplified by the declining percentage of BCPS graduates attending state Higher Education Institutions. Behavioral Health Systems Baltimore spending includes student counseling at Baltimore City Community College and counseling for transition-aged youth at Youth Opportunity Centers.



<sup>50</sup> See "College Opportunities and Access: Baltimore City Graduates through the Class of 2014," Baltimore Education Research Consortium, November 2015, at <http://baltimore-berc.org/college-opportunities-and-access-baltimore-city-graduates-through-the-class-of-2014/>. And "College Enrollment and Degree Completion of Baltimore City Graduates through the Class of 2012," Baltimore Education Research Consortium, July 2013, at <http://baltimore-berc.org/collegereportjuly2013/>. See Appendix D: Sources and Methodologies section for more detail on the allocation process of Higher Education investments to BCPS graduates. See Appendix C for the detail on Higher Education Institutions attended by BCPS graduates.



# Cradle-to-Career Fund

## Mapping: Sources & Methodologies

### Philanthropic Investments

FY 2015 or calendar year 2015 investments for children and young adults were reported by foundations through information available on their web sites and a survey conducted by project staff. In addition, investments by several foundations were determined through a survey of publicly available IRS annual form 990s, in which tax-exempt organizations report their philanthropic giving by organization. Foundation support for another philanthropic institution was not automatically assumed to be double-reported. However, after clarifying with the investing foundations, grants that were reported twice were factored out.

### Commercial/Third-Party Spending

The Department of Health and Mental Hygiene (DHMH) Health Services Cost Review Commission (HSCRC) provided Neonatal Intensive Care Unit (NICU) charges for Baltimore City residents by ZIP code and by expected payer. The reported payers in the HSCRC data are Charity/Self Pay, Commercial, Medicaid and Other. Hospitals code the payer at the time of service, when the eventual payer is not known; and they do not report the eventual, actual payer to HSCRC. Commercial/third party spending are NICU charges with anticipated payers of Charity/Self Pay, Commercial and Other. NICU charges with an expected payer of Medicaid are assumed to be included in Medicaid payments data reported by DHMH.

### Social Security Benefit Payments

#### Supplemental Security Income (SSI) and Social Security (Old-Age, Survivors, and Disability Insurance (OASDI) Spending on Baltimore City Children under Age 18

This includes data on behalf of SSI Recipients by State and County and OASDI Recipients by State and County as reported by the Social Security Administration (SSA). The agency reports age groups differently from Census data and other demographic data sources. For SSA age groups, children are defined as under age 18. Table 3 for Maryland of both publications provides number of recipients for each benefit by eligibility category for children under age 18 and the amount of payments for each benefit and category by jurisdiction. See [http://www.ssa.gov/policy/docs/statcomps/ssi\\_sc/index.html](http://www.ssa.gov/policy/docs/statcomps/ssi_sc/index.html) and [http://www.ssa.gov/policy/docs/statcomps/oasdi\\_sc/index.html](http://www.ssa.gov/policy/docs/statcomps/oasdi_sc/index.html). FY 2017 spending is estimated with the change in benefit payments by program from FY 2013 to FY 2015.

### Federal Grants Awarded Directly to Community

#### Federal Assistance Award Data System

This data was gathered from [www.usaspending.gov](http://www.usaspending.gov) after performing an advanced data search, selecting "spending type: grants", and selecting the appropriate fiscal year. The grants were then filtered by recipient state (Maryland), place of performance state (Maryland), and Congressional District (third or seventh). The grants were also filtered by awarding agency and administration. Single-year grants were either directly allocated to cradle-to-career spending, for example maternal and child health spending, or allocated with the percentage of city population under age 20, for example Arts & Culture grants. Multi-year grants were allocated to the appropriate fiscal year using the number of grant years in the award. For the FY 2017 estimate, federal grants delivered directly to the community were assumed to be equivalent to FY 2015 grants by sub-function.

### State Agency Spending

The Maryland Operating Budget books are available online at <http://dbm.maryland.gov/budget/Pages/operbudhome.aspx>. The FY 2017 budget includes FY 2015 actual spending and FY 2017 budgeted spending. The FY 2015 budget – <http://dbm.maryland.gov/budget/Pages/operbudget/FY2015OperatingBudgetDocs.aspx> – reports FY 2013 actual spending; and the FY 2013 budget reports FY 2011 actual spending – <http://dbm.maryland.gov/budget/Pages/operbudget/FY2013OperatingBudgetDocs.aspx>. FY 2017 spending data are from the budget as passed and reflect the Hogan/Rutherford Administration's supplemental budgets as well as legislative action on the budget. The Administration's supplemental FY 2017 budgets are available online at <http://dbm.maryland.gov/budget/Pages/operbudhome.aspx>. For legislative changes to the Administration's budget plan, see "Joint Chairmen's Report – Report on Fiscal 2017 State Operating Budget and State Capital Budget and Related Recommendations," Chairmen of the Senate Budget & Taxation Committee and the House Appropriations Committee, April 2016, at <http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2016rs-budget-docs-jcr.pdf>.

#### Medicaid Spending on Baltimore City Children under Age 21

DHMH staff provided actual total FY 2015 spending on Baltimore City Medicaid enrollees by coverage group. DHMH staff also provided demographic data for age groups for each coverage group. The age groups used by DHMH to track and report enrollee demographic data are Under Age 1 Year, Aged 1-5 Years, Aged 6-14 Years, Aged 15-18 Years, Aged 19-20 Years, and various age group for adults aged 21 through Aged 85 Years & Above. The cradle-to-career budget allocates the actual spending for each coverage group by the corresponding actual percentage of enrollees for each age group under age 21.

The large majority of coverage groups with allocated spending had either all or nearly all of enrollees under age 21. The reported spending on these coverage groups represented 91.3% of the total cradle-to-career estimate. For example, "Affordable Care Act Children" had 99.6% of enrollees under age 21 and accounted for 58.9% of estimated expenditures, while "Disabled Child" had 100% of enrollees under age 21 and accounted for 26.2% of estimated spending.

Allocated total expenditures for enrollees under age 21 for each coverage group and age group are also allocated to federal and state funding sources using the appropriate federal matching rate for that coverage group. Spending for enrollees covered under the Affordable Care Act's Medicaid expansion is counted as 100% federal funds for FY 2015. Spending for most other coverage groups is allocated with Maryland's Federal Medical Assistance Percentage (FMAP), or the state's Medicaid matching rate that is 50%. The federal matching rate for the Maryland Children's Health Program is 65%; and the federal match for Family Planning is 90%. Medicaid payments for enrollees in the "State Adoption" coverage group is 100% state-funded. FY 2017 Medicaid spending is estimated with the spending change by funding source reported in the state budget between the FY 2015 actual spending and FY 2017 allowance.

**Maryland Department of Health and Mental Hygiene (Non-Medicaid)**  
DHMH Behavioral Health Administration staff provided FYs 2011, 2013 and 2015 spending by funding source on Baltimore City residents under the age of 20 placed in State Psychiatric Centers. DHMH Prevention and Health Promotion Administration provided check reimbursements for Baltimore City residents through the entirely federally funded Women, Infants and Children (WIC) program and WIC administrative grants. DHMH Developmental Disabilities Administration staff reported FYs 2011, 2013 and 2015 spending by funding source for the Transitioning Youth program and for Community Services provided to residents under the age of 20. The FY 2017 investments were estimated with the change in spending by funding source in the FY 2017 budget between FY 2015 and FY 2017 for each respective spending item.

**Maryland Department of Human Resources (DHR)/Baltimore City Department of Social Services (BCDSS)**  
FY 2015 actual spending data by program and funding source were reported by DHR Finance staff. DHR Family Investment Administration reports available at <http://www.dhr.state.md.us/documents/Data%20and%20Reports/FIA/Statistical%20Reports/2016-All-Program-Monthly-Statistical-Report.pdf> and provide actual spending data for the first two-thirds of FY 2016 for the Supplemental Assistance Nutrition Program (SNAP) and for Temporary Cash Assistance (TCA). These FY 2016 data are annualized and used to estimate total spending for FY 2017 with the change from FY 2015 to FY 2016. SNAP benefits are entirely federally funded. Estimated FY 2017 TCA spending is allocated between state and federal funds with FY 2017 statewide total and General Funds TCA spending. See "Analysis of the FY 2017 Maryland Executive Budget – DHR Family Investment Administration," Department of Legislative Services, Exhibit 10, page 18, available at [\[operating-N00I00-DHR-Family-Investment.pdf\]\(http://www.dhr.state.md.us/documents/Data%20and%20Reports/FIA/Statistical%20Reports/2016-All-Program-Monthly-Statistical-Report.pdf\). FY 2017 investments for other DHR/BCDSS programs are estimated with the spending change by funding source between FY 2015 actuals and FY 2017 budgeted in the FY 2017 budget.](http://mgaleg.maryland.gov/Pubs/BudgetFiscal/2017fy-budget-docs-</a></p></div><div data-bbox=)

**Maryland Department of Public Safety and Correctional Services (DPSCS)**  
Actual FY 2015 and appropriated FY 2017 spending data by funding source for the DPSCS Operations - Corrections and for the Patuxent Institution are available in the FY 2017 state budget. The cradle-to-career budget allocates Division of Corrections spending with demographic data on the percent of DCPCS Operations - Corrections admissions who are residents of Baltimore City and again by the percent of admissions who are youth under age 19. The fund matrix allocates Patuxent Institution spending with the percent of Patuxent Institution inmates from Baltimore City and the percent of youth inmates in the Patuxent Institution population. These data were reported in the DPSCS Operations - Corrections Annual Reports, available at <http://www.dpscs.state.md.us/publicinfo/publications/index.shtml>.

**Maryland Department of Juvenile Services (DJS)**  
Actual spending on Baltimore City youth by subprogram for FY 2011 and FY 2013 and for the FY 2015 allowance were provided by DJS. A request for FY 2015 actual spending by subprogram is pending. FY 2015 DJS spending by subprogram is estimated with the change from the original FY 2015 allowance to the FY 2015 actual spending data reported in the FY 2017 state budget. Total spending is allocated between state and federal funds with the percent of state and federal funds in the FY 2015 actual spending data. FY 2017 spending is estimated with the spending change between the FY 2015 actuals and FY 2017 budgeted amount reported in the FY 2017 budget.

**Maryland Office of the Public Defender (OPD)**  
Actual FY 2015 spending by funding source data are from the Maryland FY 2015 Operating Budget. Allocated to Baltimore City children with census data on the percent of Baltimore City population under age 20, FY 2017 spending is projected using the actual spending change by funding source between FY 2013 and FY 2015.

**Maryland Office of the Attorney General**  
FY 2015 actual spending data for the Juvenile Justice Monitoring Unit are from the FY 2017 state budget. FY 2017 spending is projected using the actual spending change by funding source between FY 2013 and FY 2015.

**Governor's Office of Crime Control and Prevention (GOCCP)**  
Actual FY 2015 spending by funding source data are from the Maryland FY 2017 Operating Budget. The state budget's appropriation statements for GOCCP include detail on state General Fund spending on Local Law Enforcement Grants. For FY 2015, the cradle-to-career budget allocates actual spending on state grants for Baltimore City Foot Patrol, Baltimore City Community Policing, Baltimore City Violent Crime Control Grant, War Room – Baltimore City, and Baltimore City State's Attorney's Office – Prosecution of Gun Crimes and Violent Offenders with data from the U.S. Census on the percent of Baltimore City residents under the age of 20.

The FY 2017 GOCCP budget discontinues funding for a number of Baltimore City grants. The War Room – Baltimore City and the State’s Attorney Office continue to receive grants, which are allocated with Census data on percent of city population under age 20. The remaining statewide grants are allocated to the cradle-to-career budget with Census data on the percent of Maryland residents who are Baltimore City residents under 20.

#### **Maryland State Department of Education (MSDE)**

See Baltimore City Public Schools (BCPS) section in local-level funding sources below for data sources on state spending in BCPS. FY 2015 actual expenditures and FY 2017 budgeted amounts by funding source for the Maryland School for the Deaf, Maryland School for the Blind, Blind Industries and Services of Maryland, Aid to Nonpublic Schools, Grants to Educational Agencies, Interagency Committee on School Construction, and Juvenile Services Education Program – Headquarters were reported in the FY 2017 Maryland Operating Budget – Volume III in various places in the MSDE section. Statewide spending was allocated to Baltimore City children with the proportion of Baltimore City student enrollment relative to statewide student enrollment. BCPS enrollment is reported in its Operating Budget. See [http://www.baltimorecityschools.org/about/current\\_work](http://www.baltimorecityschools.org/about/current_work) for links to the FY 2017 Proposed Operating Budget, the adopted FY 2016 budget, as well as past year budgets. Statewide student enrollment is reported in the MSDE Fact Books available at [http://www.marylandpublicschools.org/msde/divisions/bus\\_svcs/fb.htm](http://www.marylandpublicschools.org/msde/divisions/bus_svcs/fb.htm) through FY 2013. For statewide enrollment for FY 2015 and FY 2017, see the MSDE Maryland Report Card at <http://reportcard.msde.maryland.gov/>. FY 2017 spending is estimated with the change by funding source between FY 2015 actuals and FY 2017 reported in the FY 2017 state budget.

MSDE’s Division of Early Childhood Development staff reported actual FY 2015 spending by funding source for early childhood education and for the Child Care Subsidy program. FY 2017 spending is estimated with the change by funding source between FY 2015 actuals and FY 2017 reported in the FY 2017 state budget.

The FY 2017 state budget reports FY 2015 actual and FY 2017 budgeted spending by funding source for MSDE’s Division of Rehabilitation Services. These investments are not included in the cradle-to-career funding baseline, but are allocated to the career readiness fund map with the percent of Maryland working-age adults (aged 15 – 79) who are young adults (aged 15 -24) living in Baltimore City.

#### **Children’s Cabinet Interagency Fund – Family League of Baltimore**

Family League of Baltimore (FLB) staff provided their FY 2015 contracts. The information provided included the organization, program, funding amount, funding source, purpose or initiative and contract start and end date. For the FY 2017 estimate, FLB grants were assumed to be equivalent to FY 2015 spending by sub-function.

#### **Governor’s Office for Children (GOC)**

FY 2015 actual and FY 2017 appropriated spending data for the GOC are from the FY 2017 Maryland Operating Budget. Statewide expenditures are allocated by funding source to Baltimore City with the percent of Maryland residents under age 20 living in Baltimore City.

#### **Maryland Department of Labor, Licensing and Regulation (DLLR)**

FY 2015 actual and FY 2017 budgeted spending by funding source for the Division of Workforce Development and Adult Education are from the FY 2017 state budget. These investments are not included in the cradle-to-career funding baseline but are allocated to the career readiness fund map with the percent of Maryland working-age adults (aged 15 – 79) who are young adults (aged 15 -24) living in Baltimore City.

#### **Higher Education Investments**

Higher Education investments in the state budget are not included in the cradle-to-career funding baseline but they are allocated to the career readiness fund map. The FY 2017 state budget reports total spending by category and revenue by funding source for each institution in the University System of Maryland, as well as for Baltimore City Community College, Morgan State University, and St. Mary’s College of Maryland. Spending by category is allocated to federal or state funds with the percent of federal and state-funded revenue for that institution. The FY 2017 state budget also reports on FY 2015 actual spending and FY 2017 budgeted spending by funding source for the Maryland Higher Education Commission, which funds Community College Aid, state aid to private higher education institutions, and scholarships and financial aid.

The Baltimore Education Research Consortium (BERC) has tracked BCPS graduates attending higher education institutions in Maryland, starting with the Class of 2007 through the Class of 2014. See “College Opportunities and Access: Baltimore City Graduates through the Class of 2014,” Baltimore Education Research Consortium, November 2015, at <http://baltimore-berc.org/college-opportunities-and-access-baltimore-city-graduates-through-the-class-of-2014/>, and “College Enrollment and Degree Completion of Baltimore City Graduates through the Class of 2012,” Baltimore Education Research Consortium, July 2013, at <http://baltimore-berc.org/collegereportjuly2013/>.

See Appendix C for the detail of institutions attended by BCPS graduates. For each higher education institution that received funding in the state budget and was attended by a BCPS graduate, project staff calculated a cohort of attending BCPS graduates for each institution. To estimate the cohort, for four-year institutions, the sum of the most recent four graduating classes attending the institution was calculated; and for community colleges, the sum of the most recent two graduating classes attending the institution. The state budget also includes full-time equivalent (FTE) student counts for higher education institutions receiving funding in the budget. For each institution, project staff calculated the percent of FTE students that were BCPS graduates attending, as well as the percent of FTE students at all institutions and all public institutions that were BCPS graduates attending.

Spending for the higher education institutions receiving funding in the state budget that were attended by BCPS graduates is allocated to the career readiness fund map with the percent of FTE students that are BCPS graduates attending. The University System of Maryland budget includes expenditures for the University of Maryland Center of Environmental Science and the University System of Maryland Office. These system-wide expenses are allocated to the Career Readiness fund map with the percent of public FTE students that are BCPS graduates attending. Statewide expenses in MHEC, including administration, scholarships, loan repayment assistance, and financial aid programs, are allocated with the percent of FTE students at all institutions that are BCPS graduates attending.

## Local-level Agency Spending

### Baltimore City Public Schools

FY 2015 actual and FY 2017 budgeted expenditures are available in "Operating Budget: Adopted by the Baltimore City Board of School Commissioners," Baltimore City Public Schools, May 2016, at <http://www.baltimorecityschools.org/cms/lib/MD01001351/Centricity/Domain/8051/FY17AdoptedOperatingBudget.pdf>. The budget also reports federal, state and local revenue sources for the General Fund, Special Fund and Enterprise Fund. BCPS spending by category for each of these three funds is allocated to federal, state and local funding sources with the revenue source data by fund.

For BCPS FY 2017 General Fund revenue by funding source, the \$20 million in deferred local match payment for the 21st Century Buildings Plan is counted as funding with a local revenue source. The \$33.6 million transfer into the General Fund of unassigned prior year fund balances is allocated to federal, state and local funding revenue sources with the percent of federal, state and local revenue sources of the FY 2017 General Fund budget less transfers. Funds reported with a revenue source of Other are counted as funds with a local revenue source.

### Housing Authority of Baltimore City

Housing Authority of Baltimore City's (HABC) FY 2015 Moving to Work Annual Plan includes Appendix C – FY 2015 HABC Proposed Cost Allocation Methodology, which reports FY 2013 actual spending by line item. See page 100 of 239 of the Annual Plan at [http://static.baltimorehousing.org/doc/plansreports/fy2015\\_annualplan.pdf](http://static.baltimorehousing.org/doc/plansreports/fy2015_annualplan.pdf). In the FY 2016 Moving to Work Annual Plan, Appendix C reports FY 2015 actual spending for the same line items. See page 93 of 220 at [http://static.baltimorehousing.org/pdf/fy2016\\_mtw.pdf](http://static.baltimorehousing.org/pdf/fy2016_mtw.pdf). The cradle-to-career budget includes spending on the Housing Choice Voucher program, non-capital spending on public housing sites, and spending on resident services and protection. FY 2017 investments are estimated with the percent change in spending between FY 2013 and FY 2015.

### Behavioral Health Systems Baltimore

Staff at Behavioral Health System Baltimore reported actual FY 2015 cradle-to-career expenses by program and by funding source.

For the FY 2017 estimate, FLB grants were assumed to be equivalent to FY 2015 spending by funding source.

### City of Baltimore – Local Agencies

For FY 2017 budgeted spending and FY 2015 actual spending by funding source, see "Fiscal 2017: Board of Estimates Recommendations, Agency Detail – Volumes I and II," Bureau of Budget and Management Research, Baltimore City Department of Finance, May 2016. Volume I is available at [http://bbmr.baltimorecity.gov/portals/bbmr/documents/FY17\\_Agency\\_Detail\\_Vol1\\_FINAL\\_WEB.pdf](http://bbmr.baltimorecity.gov/portals/bbmr/documents/FY17_Agency_Detail_Vol1_FINAL_WEB.pdf), and Volume II is available at [http://bbmr.baltimorecity.gov/portals/bbmr/documents/FY17\\_Agency\\_Detail\\_Vol2\\_FINAL\\_WEB.pdf](http://bbmr.baltimorecity.gov/portals/bbmr/documents/FY17_Agency_Detail_Vol2_FINAL_WEB.pdf).

The cradle-to-career spending baseline counts 100% of spending for the following items:

#### Baltimore City Health Department

- Maternal and Child Health
- School Health Services
- Youth Violence Prevention

#### Baltimore City Department of Housing and Community Development

- Early Childhood Education/Before and After Care
- Dawson Center (child care center)
- Summer Foods Program

#### Office of the Mayor of Baltimore

- Education Grants

#### Mayor Office of Criminal Justice: Juvenile Justice

#### Mayor's Office of Employment Development

- BCPS Alternative Options Academy for Youth
- Career Connections for In School Youth
- Workforce Services for TANF Recipients
- Workforce Services for Out of School Youth
- Youth Works Summer Job Program
- Workforce Services for WIA Funded Youth

#### Mayor's Office of Human Services

- Head Start

#### Baltimore City Sheriff's Office: Child Support Enforcement

The cradle-to-career budget allocates other investments in the Mayor's Office of Employment Development with Census data on the percent of city working-age adults (aged 15 – 79) who are young adults (aged 15 – 24). Although Workforce Services for Ex-Offenders is allocated with the state Department of Public Safety and Correctional Services (DPSCS) data on the percent of Baltimore City residents in state correctional institutions and the percent of incarcerated individuals under the age

of 19. The cradle-to-career budget allocates the following spending items in the city budget with the percent of city residents under the age of 20:

**Circuit Court**

**Enoch Pratt Free Library**

**Department of Health**

Clinical Services  
Healthy Homes  
Substance Abuse and Mental Health  
Emergency Services  
Administration  
Environmental Health  
Chronic Disease Prevention

**Department of Housing and Community Development**

Community Support Projects  
Administration  
Energy Assistance/Weatherization  
Community Outreach Services

**Office of the Mayor: Art and Culture**

Art and Culture Grants  
Events, Art, Culture and Film  
Bromo Seltzer Arts Tower

**Mayor's Office of Criminal Justice**

Crime Camera Management  
Coordination of Public Safety Strategy

**Mayor's Office of Human Services**

Administration  
Community Action Centers  
Homelessness Prevention  
Outreach to the Homeless  
Temporary Housing for the Homeless  
Permanent Housing for the Homeless

**Mayor's Office of Neighborhoods**

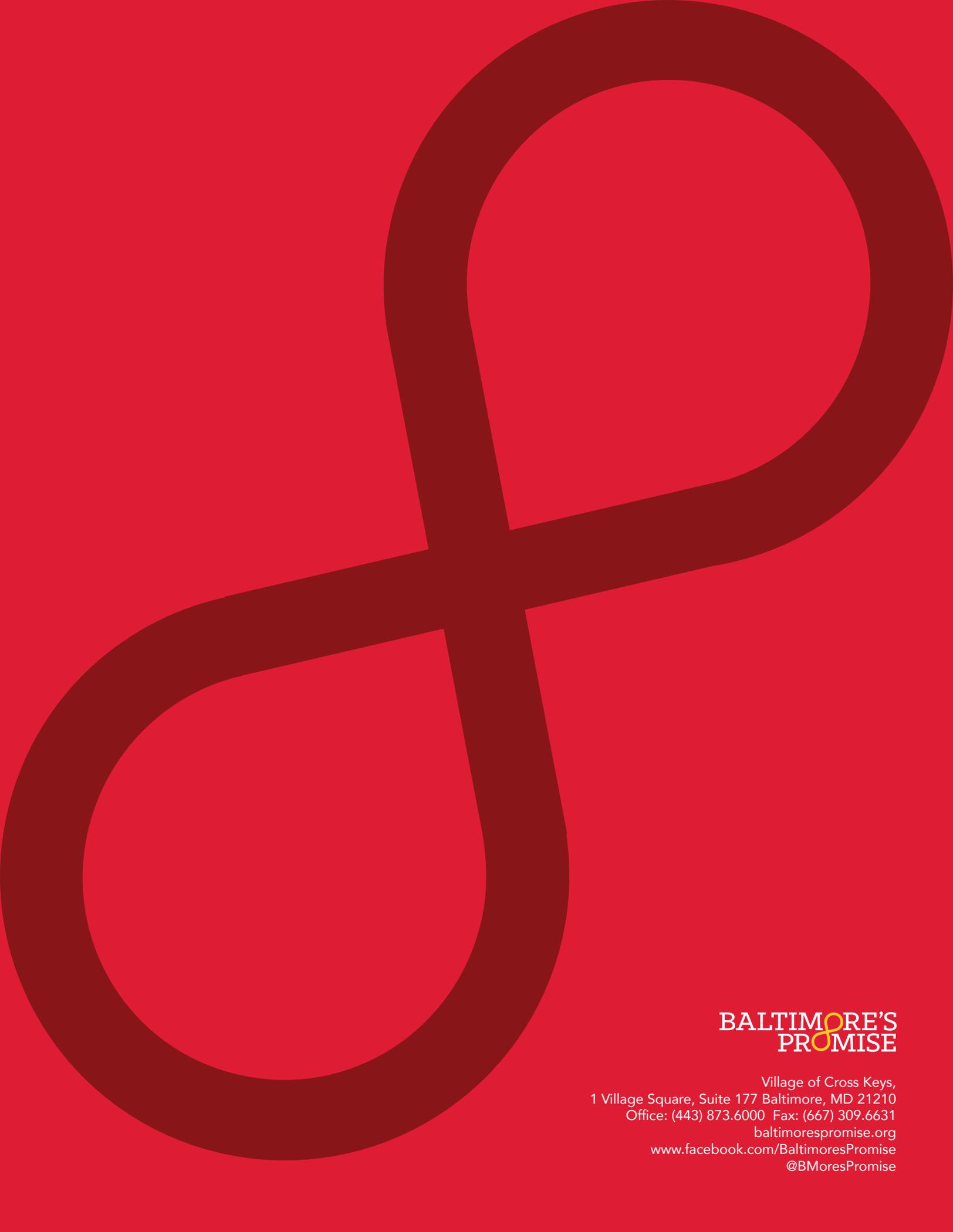
**Baltimore City Police Department**

**Baltimore City Department of Recreation and Parks; and**

**Office of the State's Attorney of Baltimore City**







**BALTIMORE'S  
PROMISE**

Village of Cross Keys,  
1 Village Square, Suite 177 Baltimore, MD 21210  
Office: (443) 873.6000 Fax: (667) 309.6631  
baltimorespromise.org  
[www.facebook.com/BaltimoresPromise](http://www.facebook.com/BaltimoresPromise)  
@BMoresPromise