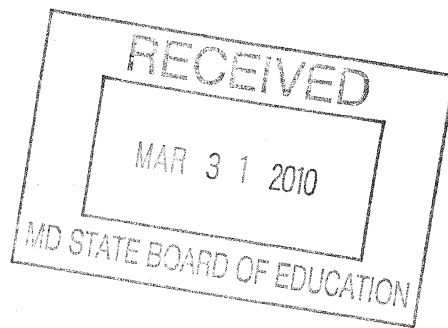


ROCKVILLE, MARYLAND



March 31, 2010

Mr. Anthony South
Executive Director
Maryland State Board of Education
200 West Baltimore Street
Baltimore, Maryland 21201

Dear Mr. South:

Pursuant to Section 5-202(d)(7) of Maryland Code, Education Article, Montgomery County requests a waiver from the State's Maintenance of Effort (MOE) requirement as defined under Section 5-202(d)(1)-(6). The basis for this request is that the County's fiscal condition significantly impedes it from funding the MOE requirement. Based on the attached email of March 24, 2010, we are providing you with the amount of the requested waiver and the percentage of the total MOE amount the waiver request represents.

The County Executive's Recommended FY11 Operating Budget includes local funding of \$1,415,085,344 for K-12 public education. Montgomery County requests a waiver of its MOE requirement to permit local funding at the level of \$1,415,085,344.

This amount is below the County's MOE requirement by either \$138,848,943 (8.9 percent of the total MOE amount) or \$58,043,862 (3.9 percent of the total MOE amount). The latter amount reflects advice rendered by Assistant Attorney General Bonnie Kirkland in a February 26, 2010 letter to Senator Richard Madaleno; in that letter Ms. Kirkland advised that \$79.5 million in debt service appropriated to MCPS in FY10 should not be counted in calculating the County's MOE requirement for FY11. A copy of Ms. Kirkland's advice is attached. A final resolution of this issue, however, is not necessary for the purpose of resolving the County's request for an MOE waiver for FY11 because the waiver can be quantified at the local funding level of \$1,415,085,344.

The County Executive's total FY11 Recommended operating budget for MCPS including local funding, State education aid, federal grants, and other revenues is \$2,125,542,225.

Mr. Anthony South
March 31, 2010
Page 2

Thank you for your consideration.

Sincerely,



Isiah Leggett
Montgomery County Executive



Nancy Floreen, President
Montgomery County Council

IL/NF:jb

c: Montgomery County Council
Patricia O'Neill, President, Montgomery County Board of Education
Jerry D. Weast, Ed.D, Superintendent, Montgomery County Public Schools
Richard S. Madaleno, Jr., Senator, District 18
Brian J. Feldman, Delegate, District 15

Attachments: April 1, 2010 MOE Waiver Request Filing
Letter from Assistant Attorney General Bonnie A. Kirkland, February 26, 2010