MLDS Center
Maryland Longitudinal Data System

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Memorandum

TO: MLDS Governing Board

FROM: Ross Goldstein

DATE: June 5, 2026

SUBJECT: MLDS Center FY 27 Budget

Purpose

The Governing Board is responsible for approving the Center's annual budget (see Ed. Art. § 24-704(g)(4), Annotated Code of Maryland). This agenda item will provide the Governing Board with the FY 27 budget for review and the Center's planned expenditures.

Background

The budget development process starts over a year prior to the start of the fiscal year. The Department of Budget and Management (DBM) develops budget instructions and a maximum general fund agency request amount (target). The agencies compile and submit the proposed budget to DBM, which reviews the budget and makes any necessary cuts or adjustments. Once the Governor's budget is finalized, it is submitted to the General Assembly. The amounts in the Governor's budget may be altered by legislative action. The budget under review is the FY 27 budget (July 1, 2026 through June 30, 2027) provided by the Governor and approved by the General Assembly during the recently concluded legislative session. The Governor's allowance was not changed by the General Assembly.

Summary of FY27 General Fund Budget

This year, the Center's general fund operating budget is $3.6 million, an increase of approximately $150,000 from last year. The change is primarily due to a $134,0000 increase for salaries. There was also a slight increase of $13,000 in funding for contractual services.

As in past years, the majority (80%) of the Center's general operating budget is used for staff salaries. The remaining funds are for the Research Branch (10%), IT consulting (7%), support for IT systems (3%) and office needs (<1%).

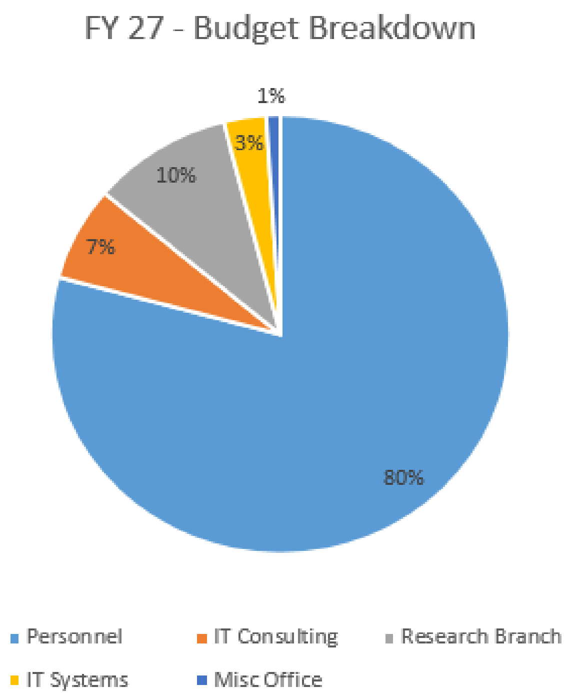

Table 1 below shows a comparison between FY 26 and FY 27 and includes both General, Special, and Reimbursable funds. In FY 26, the Center received approximately $67,000 in non-General Funds; mostly from grants and small reimbursements received from researchers using the MLDS to support their research. This year, the budget allocation appropriates $36,000 of non-General Funds. However, there are no available funds to support the appropriation. The MLDS Center is a subawardee of the grant that was received by Dr. Henneberger to study *Long-Term Effects of PBISplus: A Randomized Controlled Trial in Maryland Public Elementary Schools.* The full subaward budgeted to the Center was received and spent in the first two years of the project. Accordingly, Table 1 does not include the $36,000.

Table 1. MLDS Center Appropriation - All Funds

Object	Title	FY 26 Allowance	FY 27 Allowance	Difference FY26 to FY 27
Obj 01	Salaries, Wages and Fringe Benefits	$2,747,961	**$2,882,146**	$134,185
Obj 02	Technical and Special Fees		**0**	$0
Obj 04	Travel	$1,049	**$829**	-$220
Obj 07	Motor Vehicle Operation and Maintenance	$3,483	**$4,695**	$1,212
Obj 08	Contractual Services	$751,532	**$697,743**	-$53,789
Obj 09	Supplies and Materials	0	**$477**	$477
Obj 10	Equipment - Replacement	0	**0**	$0
Obj 11	Equipment - Additional	0	**$0**	$0
Obj 13	Fixed Charges	0	**$5,528**	$5,528
	Total	$3,504,025	**$3,591,418**	$87,393

Table 2 provides a breakdown of Subobject 08, Contractual Services. Last year we were able to fund the Research Branch at $380,000. This year, we anticipate having to reduce the Research Branch contract amount to $350,000, a decrease of $30,000, a reduction of 8%.

Finally, Table 3 provides a list and the anticipated cost of all of the Center's annual software needs.

Table 2. Contracts (Obj 08)

Contract	Amount
Research Branch	$350,000
Software	$70,000
IT Consulting	$250,000
Misc. Small Contracts	$27,500
Total	697,500

Table 3. Software

Software	Amount
AWS Backup	$25,000
Oracle	15,000
VMWare	4,700
JIRA	$688
MFT	5,000
SSL	$2,600
EV Code - Digicert	$1,380
Webflow	$816
ERWIN	$3,500
Altaro	0
STATA	$1,920
Total	**$60,604**

Future Funding Needs

The Center needs increased funding to be able to continue to fulfill its statutory obligations:

Research Branch

For the last three fiscal years, the Research Branch budget has been set at $380,000. This year, the budget was reduced to $350,000. The Research Branch budget is intended to provide full-time funding for a Research Branch Director and a Research Statistician, as well as partial support for faculty researchers at Morgan State University and the University of Maryland, College Park. While the Research Branch budget has remained flat or declined, the salaries of the faculty and staff who make up the Research Branch have increased due to statewide cost-of-living adjustments and merit increases. The Center's annual budget has not provided sufficient funding to keep pace with these salary increases. As a result, the effective reduction in Research Branch funding is significantly greater than $30,000 because the budget has not kept pace with increases in salary and operating costs.

For the current year the impact will be minimized because both the Research Branch director and research statistician are being partly funded through grants. However, for FY 28 and beyond, if the budget remains at $350,000, there will only be sufficient funding for 90% of the Research Director and 60% of the Statistician, with no available funding for the Morgan State or UMCP subawards, greatly reducing the ability of the Research Branch to fulfill its scope of work, which includes producing research output to inform policy and practice in Maryland, supporting external researchers, consulting toward longitudinal data system design, management, and maintenance, consulting with reporting services to support legislatively mandated reporting projects, advancing methodological training, and disseminating research. To fully fund the Research Branch at the level it was previously funded, the budget would need to increase to $555,000 in FY 28 and beyond to provide full funding for the Research Branch Director, the statistician, the UMCP subcontract, and the Morgan State subcontract plus operating costs.

Center Staffing

Reclassifications - The annual budget does not provide sufficient funds to reclassify employees. A reclassification recognizes the employee's increased duties and results in a salary increase. The Center employs a lot of very dedicated and talented staff whose work should result in a reclassification that recognizes their contributions.

Position - The Center received a new position a few years ago that was frozen before it could be filled. There is a process to obtain a hiring freeze exemption; however, the Center does not have sufficient funds for this position even if the exemption is granted. The position is for a data analyst, which is needed to support the ever increasing amount of data received by the Center.

Training and Travel

The Center does not have funding available to send staff to conferences and training; activities that are essential for professional development and continued learning.

Budget Needs

Increase Need	**Amount of Increase for FY 28**	**Assumptions**
Research Branch	$205,000	This will increase the overall Research Branch budget to $555,000. This will be a recurring amount to include 5% annual increase.
Center Staffing - Raises	$27,000	This increase is based on two reclassifications per year. This will also be a recurring cost increase.
Center Staffing - Position	$112,000	This is the amount currently budgeted for the position.
Training and Travel	$5,000	This will be a recurring cost.
Total Increase	**$349,000**	This represents a 10% increase to our existing budget.

Strategy for Obtaining Funding
During the upcoming FY 28 budget cycle, the Center will submit an over-the-target for increased funding to meet the needs discussed above.

Action
I request the Governing Board's review and approval of the MLDS Center FY 27 Budget Plan.