

ED COMMITTEE #1  
January 28, 2013

**MEMORANDUM**

January 24, 2013

TO: Education Committee

FROM: Essie McGuire, Senior Legislative Analyst *EMG*

SUBJECT: **Worksession: Supplemental Appropriation to the Fiscal Year 2013  
Operating Budget, Montgomery County Public Schools,  
Federal Title I, Part A Program Funds, \$7,267,938**

At this worksession, the Education Committee will review the Board of Education's request and Executive's recommendation to approve a supplemental appropriation to the FY13 Operating Budget of the Montgomery County Public Schools for Federal Title I, Part A Program funds in the amount of \$7,267,938. The source of funds is Federal funds.

The Board of Education requested this supplemental on October 9, 2012 (©4-6). The Executive recommended approval on January 3, 2013 (©3). The Council introduced the supplemental on January 15, 2013. A public hearing is scheduled for January 29, 2013 and Council action is tentatively scheduled following the public hearing.

The supplemental is needed to bring the FY13 appropriation in line with the Title I, Part A Program funding authorized by the United States Department of Education. The approval resolution (©1-2) and memo from Superintendent Starr (©4-6) provide information on the categories the appropriation will be assigned to. **Council staff recommends approval.**

Resolution No: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

**SUBJECT:** Supplemental Appropriation #13-351  
Fiscal Year 2013 Operating Budget  
Montgomery County Public Schools  
Federal Title I, Part A Funds  
\$7,267,938

Background

1. Section 5-105(d) of the Education Article of the Annotated Code of Maryland provides for the expenditure of non-local funds by the County Board of Education after adoption of the budget, only with the approval of the County fiscal authority.
2. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
3. The County Executive received the Board of Education's action of October 9, 2012, requesting a supplemental appropriation to the operating budget as follows:

<u>Category</u>		<u>Amount</u>	<u>Funding Source</u>
2	Mid-Level Administration	\$33,706	Federal Grant
3	Instructional Salaries	5,049,831	Federal Grant
4	Textbooks and Instructional Supplies	165,945	Federal Grant
5	Other Instructional Costs	465,692	Federal Grant
12	Fixed Charges	1,552,764	Federal Grant
	<b>Total</b>	<b>\$7,267,938</b>	Federal Grant

4. The Board of Education has stated that this appropriation is needed to expend \$7,267,938 from the United State Department of Education via the Maryland State Department of Education to expand the Title I, Part A Program. Based on the amounts awarded for Title I in FY12 and FY13 (through the USDE and through appropriation available in the Provision for Future Supported Projects), an additional \$4,310,476 will be received by MCPS. This additional funding will allow MCPS to continue the same level of Title I services as was provided in FY12 and will expand the program to two additional schools, Rolling Terrace and Capt. James E. Daly Elementary Schools. It will also allow provision of full-day Head Start classes at Rolling Terrace Elementary School, and will increase per-pupil funds.
5. The County Executive recommends a supplemental appropriation to the FY13 Operating Budget of \$7,267,938 and has specified that the source of funds will be a federal grant.
6. Notice of a public hearing was given, and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY13 Operating Budget of the Montgomery County Public Schools is approved as follows:

<b>Category</b>		<b>Amount</b>	<b>Funding Source</b>
2	Mid-Level Administration	\$33,706	Federal Grant
3	Instructional Salaries	5,049,831	Federal Grant
4	Textbooks and Instructional Supplies	165,945	Federal Grant
5	Other Instructional Costs	465,692	Federal Grant
12	Fixed Charges	1,552,764	Federal Grant
	<b>Total</b>	<b>\$7,267,938</b>	Federal Grant

This is a correct copy of Council action.

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Linda M. Lauer, Clerk of the Council

*Exec. Fin. 1/3/13*

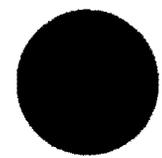


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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive



MEMORANDUM

January 3, 2013

TO: Nancy Navarro, President, County Council  
FROM: Isiah Leggett, County Executive *[Signature]*  
SUBJECT: Fiscal Year 2013 Supplemental Appropriation #13-351  
to Receive and Expend Title I, Part A Funds  
\$7,267,938

On October 9, 2012, the Board of Education requested to receive and expend a FY13 supplemental appropriation of \$7,267,938 from the United States Department of Education (USDE) via the Maryland State Department of Education (MSDE) for the Title I, Part A Program.

The FY13 Operating Budget for Montgomery County Public Schools (MCPS) included an appropriation for the Title I, Part A program of \$17,414,740. To bring the appropriation in line with the \$24,682,678 in funds that are being made available to MCPS in FY13 through the USDE, a supplemental appropriation of \$7,267,938 is required.

Based on the amounts awarded for Title I in FY12 and FY13 (through the USDE and through appropriation available in the Provision for Future Supported Projects), an additional \$4,310,476 will be received by MCPS in FY13. This additional funding will allow MCPS to continue the same level of Title I services as was provided in FY12 and will expand the program to two additional schools, Rolling Terrace and Capt. James E. Daly Elementary Schools. It will also allow provision of full-day Head Start classes at Rolling Terrace Elementary School and will increase per-pupil funds.

I recommend that the County Council approve this supplemental appropriation of \$7,267,938 from the United States Department of Education via the Maryland State Department of Education to expand the title I, Part A Program. The source of the funds will be federal funds.

IL:lob

Attachments: Supplemental Appropriation #13-351  
Request from the Board of Education

RECEIVED  
MONTGOMERY COUNTY  
JAN 03 2013 11:09 AM

Office of the Superintendent of Schools  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

October 9, 2012

MEMORANDUM

To: Members of the Board of Education

From: Joshua P. Starr, Superintendent of Schools 

Subject: Recommended Fiscal Year 2013 Supplemental Appropriation to Receive and Expend Title I, Part A Funds

**Recommendation in Brief**

Authorization is requested to receive and expend, subject to County Council approval, a Fiscal Year (FY) 2013 supplemental appropriation of \$7,267,938 from the United States Department of Education (USDE) via the Maryland State Department of Education (MSDE) for the Title I, Part A Program.

**Background**

In FY 2012, Montgomery County Public Schools (MCPS) budgeted \$18,040,997 for the Title I, Part A Program. After the budget was completed and well into FY 2012, MCPS was notified that the final Title I Program grant award was \$20,372,202. MCPS increased the FY 2012 budget by \$2,331,205 via appropriation available in the Provision for Future Supported Projects. As MCPS developed the FY 2013 budget last fall, there was uncertainty again as to the amount that would be granted to MCPS for the Title I Program. MCPS budgeted \$17,414,740, which is less than what was budgeted and received for FY 2012. Recently, MCPS received notification that funding for FY 2013 is \$24,682,678, an increase of \$7,267,938 over the FY 2013 budgeted amount. However, based on the amounts awarded for Title I in FY 2012 and FY 2013, MCPS will receive an additional \$4,310,476. This additional funding will allow MCPS to continue the same level of Title I services as was provided in FY 2012 and will expand the program to two additional schools. Full-day Head Start classes will be provided to one additional school. Also, the supplementary funding increases the per-pupil allocation for FY 2013.

Title I, Part A funds are allocated to local education agencies (LEAs) using statutory formulas based on the number of children (ages 5–17) from low income families, which the United States Census Bureau updates annually. Once the poverty data are published, the percentage is used to determine the funding. The poverty data from FY 2011 that are used to calculate the FY 2013

Title I, Part A funds indicates that 9.1 percent of Montgomery County children ages 5–17 and their families live in poverty, a 2 percent increase over the prior year.

### **Use of Funds**

The Title I Program is designed to improve teaching and learning for children who are at-risk of not meeting challenging academic achievement standards. The program funds are used to provide supplemental programs, staffing, and support to elementary schools with the highest rates of poverty. The Title I Program funds also are used to provide customized support based on the needs at each school.

In FY 2012, the Title I Program, including the Extended Learning Opportunities—Summer Adventures in Learning (ELO-SAIL) Program, was implemented in 25 elementary schools. The ELO-SAIL Program provides extended school-year instructional support. Funding also provided for full-day Head Start classes at 17 schools. In addition to instructional services, grant funds have supported parent activities and instructional technology. The additional funding for FY 2013 will allow for the expansion of the Title I Program to Capt. James E. Daly and Rolling Terrace elementary schools. In addition, funding will enable MCPS to add full-day Head Start classes at Rolling Terrace Elementary School. Also, the funding will support an increase in the per-pupil allocation.

MSDE advised local school systems to hold in reserve nine percent of the Title I budget in case sequestration occurs. This is approximately \$2.2 million, which was included in the ELO-SAIL Program budget.

### **Evaluation**

MSDE monitors the implementation of the program and the use of the financial resources and performs an annual audit of the Title I Program. MCPS also conducts an annual audit of the program using an external auditing firm, CliftonLarsonAllen.

### **Recommended Resolution**

WHEREAS, Montgomery County Public Schools has been notified that it will receive \$24,682,678 for the Fiscal Year 2013 Title I, Part A Program; and

WHEREAS, The Title I, Part A grant award is \$7,267,938 more than the \$17,414,740 budgeted for Fiscal Year 2013; and

WHEREAS, There was uncertainty as to the amount of funding Montgomery County Public Schools would receive, and the grant awards for both Fiscal Year 2012 and Fiscal Year 2013 were received after the operating budgets for those years were developed and approved; and

WHEREAS, After the Fiscal Year 2012 Operating Budget was adopted, Montgomery County Public Schools was able to increase the budget for the Title I Program in the amount of \$2,331,205 using the Provision for Future Supported Projects; and

WHEREAS, An increase of \$4,310,476 over the Fiscal Year 2012 grant award will allow Montgomery County Public Schools to implement the Title I and Extended Learning Opportunities—Summer Adventures in Learning programs in 27 elementary schools in Fiscal Year 2013, including the addition of Rolling Terrace and Capt. James E. Daly elementary schools, provide for full-day Head Start classes at Rolling Terrace Elementary School, and increase per-pupil funds; and

WHEREAS, At the direction of the Maryland State Department of Education, \$2.2 million has been set aside in case sequestration occurs and impacts the Fiscal Year 2013 Operating Budget; now therefore be it

Resolved, That the superintendent of schools be authorized to receive and expend a Fiscal Year 2013 supplemental appropriation of \$7,267,938 from the United States Department of Education via the Maryland State Department of Education to expand the Title I, Part A Program as follows:

Category		Amount
2	Mid-Level Administration	\$ 33,706
3	Instructional Salaries	5,049,831
4	Textbooks and Instructional Supplies	165,945
5	Other Instructional Costs	465,692
12	Fixed Charges	1,552,764
	Total	\$ 7,267,938

and be it further

Resolved, That a copy of this resolution be sent to the county executive and County Council; and be it further

Resolved, That the county executive be requested to recommend approval of this resolution to the County Council.

JPS:LAB:CJH:jp