

ED COMMITTEE #3
July 8, 2013
Worksession

MEMORANDUM

July 3, 2013

TO: Education Committee

FROM: Essie McGuire, Senior Legislative Analyst 

SUBJECT: **Worksession – Resolution to approve categorical transfers in the MCPS FY13 Operating Budget, \$2,625,000 for the Provision for Future Supported Projects (Source: Federal and State grants)**

Today the Education Committee will consider a resolution to approve categorical transfers in the MCPS FY13 Operating Budget totaling \$2,625,000 for the Provision for Future Supported Projects. The source of funds is Federal and State Grants.

The Council introduced this resolution on June 25, 2013. The Board of Education requested the transfer on April 23 (transmittal attached at circles 4-7), and the County Executive recommended approval in a memorandum dated May 30 (attached at circle 1). **The approval resolution is attached on circles 2-3 and reflects that this action is a transfer among major categories only and does not require a supplemental appropriation.**

The MCPS FY13 Operating Budget contained an appropriation of \$9,448,354 for Federal and State grants received through the fiscal year. Projects funded through this provision do not require any County funds, and must meet at least one of the following four conditions:

1. the amount is \$200,000 or less;
2. the program was funded in FY 2012;
3. the program was included in the FY 2013 budget; or
4. the program was funded by the Council in a supplemental or special appropriation in FY2013.

Any program that does not meet one of these four conditions must be funded by a supplemental or special appropriation.

The budgeted categorical allocation of anticipated Federal and State grants is an estimate based on available information. This transfer is necessary to align the year's actual budget expenditures with actual requirements of grant projects. **Council staff recommends approval of the categorical transfer.**

SCHOOLS & ED

AGENDA ITEM #2(A)
June 25, 2013



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

INTRODUCTION

Isiah Leggett
County Executive

MEMORANDUM

May 30, 2013

TO: Nancy Navarro, President
County Council

FROM: Isiah Leggett 
County Executive

SUBJECT: Transfers Among Major Categories
FY13 Operating Budget
Montgomery County Public Schools
Provision for Future Supported Projects
\$2,625,000

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On April 23, 2013, the Board of Education requested to make transfers among State budget categories of \$2,625,000 for the Provision for Future Supported Projects.

The FY13 Operating Budget for Montgomery County Public Schools included an appropriation of \$9,448,354 for such projects, but in order to align actual budgeted expenditures with actual requirements of grant projects, categorical transfers are needed. Projects funded through this provision do not require any present or future County funds, and continuation of the projects is dependent on future funding from the grantor.

I recommend that the County Council approve these categorical transfers of \$2,625,000 for the Provision for Future Supported Projects. The source of funds will be Federal and State grants.

Attachments: Transfers Among Major Categories
Request from the Board of Education

Resolution No: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

SUBJECT: Transfers Among Major Categories
FY13 Operating Budget
Montgomery County Public Schools
Provision for Future Supported Projects
\$2,625,000

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. Section 5-105 provides for the transfers among major categories of the budget of the Montgomery County Public Schools only with the approval of the County Council.
2. The County Executive received the Board of Education's action of April 23, 2013, requesting a transfer among State budget categories in the FY13 operating budget of the Montgomery County Public Schools as follows:

<u>Category</u>	<u>Categorical</u> <i>From</i>	<u>Transfer</u> <i>To</i>	<u>Funding Source</u>
1 Administration	\$200,000		Federal/State Grants
2 Mid-Level Administration	\$700,000		Federal/State Grants
3 Instructional Salaries	\$100,000		Federal/State Grants
4 Textbooks and Instructional Supplies	\$50,000		Federal/State Grants
5 Other Instructional Costs	\$1,400,000		Federal/State Grants
6 Special Education		\$2,000,000	Federal/State Grants
7 Student Personnel Services	\$175,000		Federal/State Grants
9 Student Transportation		\$20,000	Federal/State Grants
11 Maintenance of Plant		\$5,000	Federal/State Grants
12 Fixed Charges		\$200,000	Federal/State Grants
14 Community Services		\$400,000	Federal/State Grants
Total	\$2,625,000	\$2,625,000	Federal/State Grants

3. The Board of Education has stated that this appropriation is needed to make transfers among State budget categories of \$2,625,000 for the FY13 Provision for Future Supported Projects. The FY13 Operating Budget for Montgomery County Public Schools included an appropriation of \$9,448,354 for such projects, but in order to align actual budgeted expenditures with actual requirements of grant projects, categorical transfers are needed. Projects funded through this provision do not require any present or future County funds, and continuation of the projects is dependent on future funding from the grantor.
4. The County Executive recommends a transfer among State budget categories of \$2,625,000 in the FY13 Operating Budget of the Montgomery County Public Schools and has specified that the source of funds will be Federal/State grants.

Action

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

A transfer of appropriations among State budget categories in the FY13 Operating Budget of the Montgomery County Public Schools is approved as follows:

<u>Category</u>	<u>Categorical</u>	<u>Transfer</u>	<u>Funding Source</u>
	<i>From</i>	<i>To</i>	
1 Administration	\$200,000		Federal/State Grants
2 Mid-Level Administration	\$700,000		Federal/State Grants
3 Instructional Salaries	\$100,000		Federal/State Grants
4 Textbooks and Instructional Supplies	\$50,000		Federal/State Grants
5 Other Instructional Costs	\$1,400,000		Federal/State Grants
6 Special Education		\$2,000,000	Federal/State Grants
7 Student Personnel Services	\$175,000		Federal/State Grants
9 Student Transportation		\$20,000	Federal/State Grants
11 Maintenance of Plant		\$5,000	Federal/State Grants
12 Fixed Charges		\$200,000	Federal/State Grants
14 Community Services		\$400,000	Federal/State Grants
Total	\$2,625,000	\$2,625,000	Federal/State Grants

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

1592-13

DMB 05

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

April 29, 2013

MEMORANDUM

To: The Honorable Isiah Leggett, County Executive
The Honorable Nancy Navarro, President,
Montgomery County Council

From: Joshua P. Starr, Superintendent of Schools



Subject: Transmittal of Board of Education Item #5.3.1

Recommended Categorical Transfers for the Fiscal Year 2013 Provision for Future Supported Projects:

BOE Meeting Date:	April 23, 2013
Amount:	\$2,625,000
Type of Action:	Categorical Transfer

JPS:LAB:TPK:jp

Attachment

Copy to:
Mr. Bowers
Mr. Klausning
Montgomery County Office of Management and Budget

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

April 23, 2013

MEMORANDUM

To: Members of the Board of Education

From: Joshua P. Starr, Superintendent of Schools 

Subject: Recommended Categorical Transfers for the Fiscal Year 2013 Provision for Future Supported Projects

Recommendation in Brief

Authorization is requested to effect categorical transfers totaling \$2,625,000 within the Fiscal Year (FY) 2013 Provision for Future Supported Projects.

Background

The current FY 2013 Operating Budget, approved by the Board of Education, includes an appropriation of \$9,448,354 for the Provision for Future Supported Projects. The Provision for Future Supported Projects allows the Board of Education to approve grant projects that are identified subsequent to the adoption of the budget, without having to request supplemental appropriations for each of the projects from the County Council. This provision was established by the County Council because it was considered to be the most effective way of handling eligible projects and avoiding the need for a public hearing. The Board of Education will receive additional grants during FY 2013 that are eligible for funding through the Provision for Future Supported Projects.

The categorical breakdown of the \$9,448,354 budgeted for the Provision for Future Supported Projects was based on staff's assessment of likely grant revenues. Actual revenue and expenditure requirements of grant projects require that categorical transfers of \$2,625,000 be made in the Provision.

Support of Board of Education Policy

The Provision for Future Supported Projects provides spending authorization and is not a program. Board of Education action complies with the requirements defined by the County Council for eligible grant projects received through the Provision.

Relationship to Ongoing Program

It is anticipated that categorical requirements of the grant projects will differ from what was anticipated when the budget was developed. The categorical transfers are necessary to accommodate additional eligible projects.

Recommended Resolution

WHEREAS, The current Fiscal Year 2013 Operating Budget adopted by the Board of Education includes \$9,448,354 for the Provision for Future Supported Projects; and

WHEREAS, The Board of Education will receive additional projects that are eligible for funding through the Provision for Future Supported Projects during Fiscal Year 2013; and

WHEREAS, Actual revenue and expenditure requirements of grant projects require that categorical transfers be made in the Provision for Future Supported Projects; now therefore be it

Resolved, That the superintendent of schools be authorized to effect categorical transfers totaling \$2,625,000 within the Fiscal Year 2013 Provision for Future Supported Projects, in accordance with the County Council provision for transfers, as follows:

	<u>Category</u>	<u>From</u>	<u>To</u>
1	Administration	\$ 200,000	
2	Mid-level Administration	700,000	
3	Instructional Salaries	100,000	
4	Textbooks and Instructional Supplies	50,000	
5	Other Instructional Costs	1,400,000	
6	Special Education		\$ 2,000,000
7	Student Personnel Services	175,000	
9	Student Transportation		20,000
11	Maintenance of Plant		5,000
12	Fixed Charges		200,000
14	Community Services		400,000
	Total	<u>\$ 2,625,000</u>	<u>\$ 2,625,000</u>

and be it further

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

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

JPS:jp

Attachment

STATUS OF FISCAL YEAR 2013 PROVISION FOR FUTURE SUPPORTED PROJECTS

Attachment

CATEGORY	CURRENT APPROPRIATION	TRANSFERS TO/(FROM)	REVISED APPROPRIATION	PRIOR ALLOCATION	THIS ALLOCATION	UNALLOCATED BALANCE
1 Administration	\$ 445,899	\$ (200,000)	\$ 245,899	\$ (105,179)	\$ -	\$ 140,720
2 Mid-level Administration	867,793	(700,000)	167,793	(42,073)		125,720
3 Instructional Salaries	3,471,795	(100,000)	3,371,795	(854,258)		2,517,537
4 Textbooks & Instructional Supplies	625,021	(50,000)	575,021	(354,591)		220,430
5 Other Instructional Costs	2,297,149	(1,400,000)	897,149	(280,555)		616,594
6 Special Education	565,580	2,000,000	2,565,580	(1,982,796)		582,784
7 Student Personnel Services	322,991	(175,000)	147,991	(47,478)		100,513
9 Student Transportation	110,332	20,000	130,332	(45,700)		84,632
11 Maintenance of Plant	-	5,000	5,000	(1,500)		3,500
12 Fixed Charges	583,299	200,000	783,299	(606,707)		176,592
14 Community Services	158,495	400,000	558,495	(477,300)		81,195
Total	\$ 9,448,354	\$ -	\$ 9,448,354	\$ (4,798,137)	\$ -	\$ 4,650,217

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