

COUNTY COUNCIL  
 FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

SUBJECT: Supplemental Appropriation and Categorical Transfers #08-228  
 FY08 Operating Budget  
 Montgomery County Public Schools  
 Provision for Future Supported Projects  
 \$3,500,000 and \$350,000

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. 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 March 11, 2008, requesting a transfer among State budget categories and a supplemental appropriation to the FY08 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>Supplemental</u> <u>Appropriation</u>	<u>Funding Source</u>
1 Administration			\$100,000	Federal/State Grants
2 Mid-Level Administration		\$300,000	700,000	
3 Instructional Salaries			800,000	
4 Textbooks and Instructional Supplies			1,000,000	
5 Other Instructional Costs	\$50,000			
6 Special Education	200,000			
7 Student Personnel Services	100,000			
9 Student Transportation			30,000	
10 Operation of Plant and Equipment		50,000		
12 Fixed Charges			620,000	
14 Community Services			250,000	
Total	\$350,000	\$350,000	\$3,500,000	

4. The Board of Education has stated that this appropriation is needed to receive and expend an FY08 supplemental appropriation of \$3,500,000 and make transfers among State budget categories of \$350,000 for the FY08 Provision for Future Supported Projects. The FY08 Operating Budget for Montgomery County Public Schools included an appropriation of \$9,231,709 for the Provision of Future Supported Projects, but actual revenue and expenditure requirements for the grant projects are higher than budgeted. 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. The categorical transfers would align budgeted expenditures with actual requirements of grant projects.
5. The County Executive recommends a transfer among State budget categories of \$350,000 and a supplemental appropriation of \$3,500,000 to the FY08 Operating Budget of the Montgomery County Public Schools and has specified that the source of funds will be Federal/State grants.
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 transfer of appropriations among State budget categories and a supplemental appropriation to the FY08 Operating Budget of the Montgomery County Public Schools is approved as follows:

<u>Category</u>	<u>Categorical From</u>	<u>Transfer To</u>	<u>Supplemental Appropriation</u>	<u>Funding Source</u>
1 Administration			\$100,000	Federal/State Grants
2 Mid-Level Administration		\$300,000	700,000	
3 Instructional Salaries			800,000	
4 Textbooks and Instructional Supplies			1,000,000	
5 Other Instructional Costs	\$50,000			
6 Special Education	200,000			
7 Student Personnel Services	100,000			
9 Student Transportation			30,000	
10 Operation of Plant and Equipment		50,000		
12 Fixed Charges			620,000	
14 Community Services			250,000	
Total	\$350,000	\$350,000	\$3,500,000	

This is a correct copy of Council action.

  
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Linda M. Lauer, Clerk of the Council