

Montgomery County Public Schools

MISSION STATEMENT

The Montgomery County Public Schools (MCPS) operates a countywide system of public schools for students from pre-kindergarten through high school. For the 2014-15 school year (FY15), 153,852 students in pre-kindergarten classes through grade 12 attend 202 separate public educational facilities. For the 2015-16 school year (FY16), enrollment is estimated at 156,514 students.

BUDGET OVERVIEW

The County Executive's role in the MCPS budget process is to present to the County Council a recommended total budget. The total recommended FY16 Operating Budget is \$2,308.7 million, an increase of \$31.9 million or 1.4 percent over the original FY15 approved budget of \$2,276.8 million and meets the State's Maintenance of Effort law.

The County Executive also recommends providing additional resources of \$27.2 million by distributing funds from the County's Consolidated Retiree Health Benefits Trust to MCPS for the purpose of paying retiree health insurance claims in FY16. This action allows for a reduction of Category 12 (Fixed Charges) appropriation, which can be reallocated to other categories for educational purposes.

The Board of Education's (BOE) Operating Budget request for FY16 totaled \$2,393.5 million. The County Executive's recommendation would fund 96.5 percent of the Board of Education's (BOE) request. With the additional resources provided through the Consolidated Retiree Health Benefits Trust, the County Executive's recommendation would fund 97.6 percent of the BOE's request.

The County also supports the operations of the school system through the expenditures of other departments. For example, school health services, childhood wellness, and Linkages to Learning programs are provided by the Department of Health and Human Services; research and internet resources are made available in the Montgomery County Public Libraries; crossing guards are provided by the Department of Police; sports academies for youth are sponsored by the Department of Recreation; reimbursements for classrooms and school sports fields rented by residents are made by Community Use of Public Facilities; and the Maryland-National Capital Park and Planning Commission provides maintenance of MCPS ballfields. In addition to the total recommended Operating Budget for the public schools, this agency's Capital Improvements Program (CIP) requires County funding. Approximately \$18.8 million in FY16 current revenue and \$24.2 million in recordation taxes are recommended in the amended FY15-20 CIP. The debt service requirement for the MCPS capital program is estimated at \$140.2 million in FY16.

The County Executive has recommended \$728,900 for full funding of a Network Operations Center for the FiberNet network in FY16. Costs will be shared according to proportional bandwidth usage; resulting in an allocation of 52% for Montgomery County Government (or \$379,028) and 48% for Montgomery County Public Schools (or \$349,872).

The table below summarizes the contributions to MCPS programs that are appropriated in other departments or agencies.

Additional County Support for MCPS FY16	
MCPS Budget (in millions)	\$2,168.8
Additional County funding (not included in MCPS budget)	
• Debt service on school construction bonds	\$140.2
• Pre-funding retiree health benefits	\$61.7
• Support services	\$62.5
• Technology modernization	\$23.5
Total additional County funding	\$287.9
Total expenditures for MCPS	\$2,456.7

Sources: Recommended FY16 Operating and Capital Budgets

The recommended budget includes the County's contribution of \$1,463.3 million plus \$33.2 million in carryover funds and \$44.4 million for State retirement (66.7 percent of all recommended funding), State aid and grants of \$624.3 million (27.0 percent), Federal grants and aid of \$70.0 million (3.0 percent), and tuition, fees, and private grants of \$10.8 million (0.5 percent). The recommended appropriation for the fee supported enterprise funds is \$61.1 million (2.6 percent) and for the special revenue fund is \$1.7 million (0.1 percent).

Tax Supported Funding for the Public Schools

For FY16, the total tax supported portion of the Executive's recommendation (excluding grants and enterprise funds) is \$2,168.8 million, an increase of \$30.7 million or 1.4 percent over the original FY15 approved Operating Budget.

The tax supported portion of the recommendation includes a FY16 local contribution of \$1,463.3 million, plus carryover of \$33.2 million and \$44.4 million for State retirement for a total local contribution of \$1,540.8 million. The Executive's recommendation for local funding fulfills the State Maintenance of Effort (MOE) requirement.

Fiscal Summary

The Executive's total budget recommendation from all funding sources is \$2,308.7 million and funds 96.5 percent of the BOE's request. The Executive relies on the BOE to determine the most appropriate manner to deliver educational services within its recommended budget allocation.

Spending Affordability

In February 2015, the Montgomery County Council approved FY16 Spending Affordability Guidelines (SAG) of \$2,130.7 million for the tax supported funds of MCPS. The BOE requested \$2,253.5 million in tax supported funds.

Additional Budget Details

The Executive affirms the authority of the BOE to establish educational policy and to determine the allocation of appropriated funds in support of the mission of the public school system. Complete information regarding the MCPS budget request is available in the FY16 Operating Budget adopted by the BOE on February 10, 2015. Copies of that budget are available at Montgomery County libraries, on the MCPS website and, upon request, from the school system.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***Children Prepared to Live and Learn***

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Support MCPS programs through expenditures in other County departments, such as Health and Human Services, Public Libraries, Recreation, Community Use of Public Facilities, and Police.***
- ❖ ***Make a County contribution to MCPS of \$1,540.8 million, including \$33.2 million in carryover and \$44.4 million of local contribution for State retirement.***
- ❖ ***Provide additional resources of \$27.2 million from the County's Consolidated Retiree Health Benefits Trust to MCPS to pay for FY16 retiree health insurance claims, allowing for reduction of Category 12 (Fixed Charges) appropriation. These funds may be reallocated to other categories for educational programs. With the additional resources provided through the Consolidated Retiree Health Benefits Trust, the County Executive's recommendation would fund 97.6 percent of the BOE's request.***
- ❖ ***Provide resources to accommodate enrollment of 156,514 students.***
- ❖ ***Eight MCPS high schools rank in the top 200 of The Washington Post's 2014 High School Challenge and all 25 MCPS high schools appear on this list, which only includes the top nine percent of high schools in the country.***
- ❖ ***Eleven MCPS high schools made the U.S. News & World Report 2014 list of Best High Schools. MCPS had the top four high schools in the state of Maryland.***
- ❖ ***Seventeen high schools made the annual list of America's Best High Schools, published by Newsweek/The Daily Beast. Two MCPS high schools made the top 100 nationally, and the district had the top six schools in the state of***

Maryland.

- ❖ **Across the district, 15 students were semifinalists in the 2014 Intel Science Talent Search. Nine semifinalists were from Montgomery Blair High School, among the most of any high school in the nation.**

PROGRAM CONTACTS

Contact Thomas Klausung of the Montgomery County Public Schools at 301.279.3547 or Jedediah Millard of the Office of Management and Budget at 240.777.2769 for more information regarding this agency's operating budget.

BUDGET SUMMARY

	Actual FY14	Budget FY15	Estimated FY15	Recommended FY16	% Chg Bud/Rec
CURRENT FUND MCPS					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Current Fund MCPS Personnel Costs	0	0	0	0	—
Operating Expenses	2,110,158,231	2,138,069,401	2,106,089,401	2,168,760,952	1.4%
Capital Outlay	0	0	0	0	—
Current Fund MCPS Expenditures	2,110,158,231	2,138,069,401	2,106,089,401	2,168,760,952	1.4%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	20,032.00	20,391.94	20,391.94	20,602.50	1.0%
REVENUES					
Basic State Aid	305,782,989	310,456,913	310,456,913	317,819,187	2.4%
Federal Revenues	193,173	400,000	400,000	200,000	-50.0%
Foster Care/Miscellaneous	232,670	400,000	400,000	400,000	—
GCEI - Geographic Cost of Education Index	33,636,554	34,394,095	34,394,095	17,504,312	-49.1%
Students With Disabilities	52,252,933	51,202,771	51,202,771	53,806,005	5.1%
Thornton Legislation	179,615,574	184,221,187	184,221,187	194,344,891	5.5%
Transportation	36,985,683	38,090,967	38,090,967	39,786,572	4.5%
Tuition-Other Sources	3,992,554	3,875,708	3,875,708	4,105,755	5.9%
Current Fund MCPS Revenues	612,692,130	623,041,641	623,041,641	627,966,722	0.8%
GRANT FUND MCPS					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund MCPS Personnel Costs	0	0	0	0	—
Operating Expenses	74,809,399	77,903,934	77,903,934	77,170,491	-0.9%
Capital Outlay	0	0	0	0	—
Grant Fund MCPS Expenditures	74,809,399	77,903,934	77,903,934	77,170,491	-0.9%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	590.30	564.90	564.90	624.05	10.5%
REVENUES					
Federal Grants	73,795,010	69,455,580	69,455,580	69,795,287	0.5%
Private Grants	1,014,389	8,448,354	8,448,354	6,731,204	-20.3%
State Grants	0	0	0	644,000	—
Grant Fund MCPS Revenues	74,809,399	77,903,934	77,903,934	77,170,491	-0.9%
FOOD SERVICE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Food Service Fund Personnel Costs	0	0	0	0	—
Operating Expenses	52,926,067	51,222,406	51,222,406	53,166,879	3.8%
Capital Outlay	0	0	0	0	—
Food Service Fund Expenditures	52,926,067	51,222,406	51,222,406	53,166,879	3.8%
PERSONNEL					
Full-Time	0	0	0	0	—

	Actual FY14	Budget FY15	Estimated FY15	Recommended FY16	% Chg Bud/Rec
Part-Time	0	0	0	0	—
FTEs	582.95	585.45	585.45	585.45	—
REVENUES					
Child Care Food Service	0	1,334,335	1,334,335	0	—
Federal Food	31,640,881	28,821,508	28,821,508	29,207,955	1.3%
Sale of Meals	19,343,941	18,829,956	18,829,956	21,699,064	15.2%
State Food	1,614,566	2,236,607	2,236,607	2,259,860	1.0%
Food Service Fund Revenues	52,599,388	51,222,406	51,222,406	53,166,879	3.8%
REAL ESTATE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Real Estate Fund Personnel Costs	0	0	0	0	—
Operating Expenses	2,845,571	3,166,047	3,166,047	3,257,703	2.9%
Capital Outlay	0	0	0	0	—
Real Estate Fund Expenditures	2,845,571	3,166,047	3,166,047	3,257,703	2.9%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	7.00	7.00	7.00	7.00	—
REVENUES					
Real Estate Fund	2,744,862	3,166,047	3,166,047	3,257,703	2.9%
Real Estate Fund Revenues	2,744,862	3,166,047	3,166,047	3,257,703	2.9%
FIELD TRIP FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Field Trip Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,803,944	1,895,960	1,895,960	1,991,533	5.0%
Capital Outlay	0	0	0	0	—
Field Trip Fund Expenditures	1,803,944	1,895,960	1,895,960	1,991,533	5.0%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	4.50	4.50	4.50	4.50	—
REVENUES					
Field Trip Fees	1,786,478	1,895,960	1,895,960	1,991,533	5.0%
Field Trip Fund Revenues	1,786,478	1,895,960	1,895,960	1,991,533	5.0%
ENTREPRENEURIAL ACTIVITIES FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Entrepreneurial Activities Fund Personnel Costs	0	0	0	0	—
Operating Expenses	2,356,182	2,910,612	2,910,612	2,700,509	-7.2%
Capital Outlay	0	0	0	0	—
Entrepreneurial Activities Fund Expenditures	2,356,182	2,910,612	2,910,612	2,700,509	-7.2%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	12.60	12.60	12.60	13.60	7.9%
REVENUES					
Entrepreneurial Activities Fee	1,974,638	2,910,612	2,910,612	2,700,509	-7.2%
Entrepreneurial Activities Fund Revenues	1,974,638	2,910,612	2,910,612	2,700,509	-7.2%
INSTRUCTIONAL TELEVISION FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Instructional Television Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,538,549	1,595,624	1,595,624	1,654,209	3.7%
Capital Outlay	0	0	0	0	—
Instructional Television Fund Expenditures	1,538,549	1,595,624	1,595,624	1,654,209	3.7%
PERSONNEL					
Full-Time	0	0	0	0	—

	Actual FY14	Budget FY15	Estimated FY15	Recommended FY16	% Chg Bud/Rec
Part-Time	0	0	0	0	—
FTEs	12.50	13.50	13.50	13.50	—
DEPARTMENT TOTALS					
Total Expenditures	2,246,437,943	2,276,763,984	2,244,783,984	2,308,702,276	1.4%
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total FTEs	21,241.85	21,579.89	21,579.89	21,850.60	1.3%
Total Revenues	746,606,895	760,140,600	760,140,600	766,253,837	0.8%

MCPS EXPENDITURES FY80-FY16					
County Fiscal Year	Total Expenditures	Total Enrollment	Per Pupil	County Funding	As Percent of Total
80	\$283,964,983	102,519	\$2,770	\$217,458,068	76.6%
81	\$310,301,970	98,843	\$3,139	\$243,994,370	78.6%
82	\$331,546,219	95,587	\$3,469	\$267,891,955	80.8%
83	\$351,939,986	92,517	\$3,804	\$286,965,658	81.5%
84	\$371,322,717	91,030	\$4,079	\$303,726,901	81.8%
85	\$399,916,181	91,704	\$4,361	\$330,035,065	82.5%
86	\$436,875,791	92,871	\$4,704	\$361,788,973	82.8%
87	\$475,866,930	94,460	\$5,038	\$398,053,264	83.6%
88	\$519,622,140	96,271	\$5,397	\$434,582,576	83.6%
89	\$577,957,669	98,519	\$5,866	\$488,062,505	84.4%
90	\$642,553,932	100,259	\$6,409	\$545,768,528	84.9%
91	\$702,260,084	103,732	\$6,770	\$601,407,797	85.6%
92	\$712,896,646	107,140	\$6,654	\$603,939,300	84.7%
93	\$738,767,864	110,037	\$6,714	\$622,732,456	84.3%
94*	\$793,907,907	113,429	\$6,999	\$666,557,884	84.0%
95	\$830,010,147	117,082	\$7,089	\$695,512,609	83.8%
96	\$878,160,420	120,291	\$7,300	\$718,938,647	81.9%
97	\$915,141,097	122,505	\$7,470	\$740,984,871	81.0%
98	\$958,416,196	125,035	\$7,665	\$765,835,476	79.9%
99	\$1,034,768,530	127,852	\$8,093	\$820,833,423	79.3%
00	\$1,105,644,145	130,689	\$8,460	\$870,940,869	78.8%
01	\$1,216,096,599	134,180	\$9,063	\$959,754,838	78.9%
02	\$1,323,625,477	136,832	\$9,673	\$1,029,703,651	77.8%
03	\$1,412,161,822	138,891	\$10,167	\$1,079,188,698	76.4%
04	\$1,501,381,116	139,203	\$10,786	\$1,136,392,169	75.7%
05	\$1,609,382,533	139,337	\$11,550	\$1,217,214,553	75.6%
06	\$1,713,736,154	139,387	\$12,295	\$1,296,325,112	75.6%
07	\$1,851,496,287	137,798	\$13,436	\$1,384,725,787	74.8%
08	\$1,985,017,619	137,745	\$14,411	\$1,456,912,582	73.4%
09	\$2,066,683,294	137,763	\$15,002	\$1,531,482,602	74.1%
10	\$2,200,577,000	140,500	\$15,662	\$1,573,754,447	71.5%
11	\$2,104,188,040	143,309	\$14,683	\$1,425,385,344	67.7%
12	\$2,086,786,613	146,497	\$14,245	\$1,387,101,480	66.5%
13	\$2,160,029,595	149,018	\$14,495	\$1,436,513,701	66.5%
14	\$2,225,421,052	151,289	\$14,710	\$1,475,223,045	66.3%
15	\$2,276,763,984	153,852	\$14,798	\$1,515,027,760	66.5%
16 CE Rec	\$2,308,702,276	156,514	\$14,751	\$1,540,794,230	66.7%

Sources: Approved Operating Budgets

Notes:

* State legislative action shifted responsibility for teacher Social Security payments to local jurisdictions in FY94.

Per pupil spending represents all sources of funds

In addition to MCPS appropriations, the following County departments also support MCPS programs:

- School Health Nurses and Health Room Technicians (Health and Human Services)
- Childhood Wellness (Health and Human Services)
- Linkages to Learning (Health and Human Services)
- Research and Internet Resources (Public Libraries)
- Sports Academies (Recreation)
- Crossing Guards (Police)
- Reimbursements for Rented Classrooms and Sports Fields (Community Use of Public Facilities)
- Stormwater Facility Maintenance (Environmental Protection)
- Capital Improvements Program (CIP) Current Revenue
- Debt Service on School Facilities

MONTGOMERY COUNTY PUBLIC SCHOOLS ORGANIZATION—FY 2016

