



Montgomery County Public Schools

RECOMMENDED FY20 BUDGET

\$2,647,536,627

FULL TIME EQUIVALENTS

22,867.11

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 2018-19 school year (FY19), 163,123 students in pre-kindergarten classes through Grade 12 attend 206 separate public educational facilities. For the 2019-20 school year (FY20), enrollment is estimated to be 164,296 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 FY20 Operating Budget is \$2,647.5 million, an increase of \$51.1 million or two percent over the original FY19 approved budget of \$2,596.4 million, and this recommended budget exceeds the amount required by the State's Maintenance of Effort (MOE) law by \$2.5 million.

This budget assumes State Aid as recommended in the Governor's budget; it does not include any additional State Aid from legislation before the General Assembly based on the Kirwan Commission recommendations. As of this writing, the legislation targets areas that the Board of Education (BOE) has recognized as needing additional resources. Specifically, Special Education receives greater support in both the BOE's request and in the bills before the General Assembly. The final outcome in the State budget may have an impact on the level of County funding needed to improve those services.

The County Executive's recommendation funds 99.5 percent of the Board of Education's (BOE) request. The County Executive and the Superintendent have and will continue to work collaboratively to discuss how reductions could be made to minimize the impact on students.

In addition to the funding in the MCPS budget, \$27.2 million will be provided by the County from the Consolidated Retiree Health Benefits Trust for the purpose of paying retiree health claims in FY20. The County Executive is also recommending \$1.0 million in the Early Care and Education Fund Non-Departmental Account for expansion of pre-kindergarten programs.

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 available 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 \$3.9 million in FY20 current revenue and \$64.7 million in recordation taxes are recommended in the FY19-24 CIP. The debt service requirement for the MCPS capital program is estimated at \$154.9 million in FY20.

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

Additional County Support for MCPS in FY20	
MCPS Budget (in millions)	\$2,647.5
Additional County funding (not included in MCPS budget)	
• Debt service on school construction bonds	\$154.9
• Pre-funding retiree health benefits	\$78.5
• Support services	\$71.3
• Technology modernization	\$10.7
Total additional County funding	\$315.5
Total expenditures for MCPS	\$2,963.0
Sources: Recommended FY20 Operating and Capital Budgets	

Note: The County Executive's Early Care and Education NDA is supporting a 1\$ million grant to MCPS for Pre-Kindergarten service expansion.

The recommended budget includes the County's contribution of \$1,720.6 million plus \$25.0 million in carryover funds (65.9 percent of all recommended funding), State aid and grants of \$735.4 million (27.8 percent), Federal grants and aid of \$79.6 million (3.0 percent), and tuition, fees, and private grants of \$10.1 million (0.4 percent). The recommended appropriation for the fee supported enterprise funds is \$75.0 million (2.8 percent) and for the special revenue fund is \$1.8 million (0.1 percent).

Tax Supported Funding for the Public Schools

For FY20, the total tax-supported portion of the Executive's recommendation (excluding grants and enterprise funds) is \$2,483.7 million, an increase of \$39.6 million or 1.6 percent over the original FY19 Approved Operating Budget. The tax-supported portion of the recommendation includes an FY20 local contribution of \$1,720.6 million, plus carryover of \$25.0 million for a total local contribution of \$1,745.6 million. MOE is a State requirement that each local school district must spend as much per student as it did in the prior fiscal year in order to receive additional State aid for education. The Executive's recommendation for local funding meets the MOE requirement, and represents a total increase of \$12.0 million from the FY19 local contribution.

Fiscal Summary

The Executive's total budget recommendation from all funding sources is \$2,647.5 million and funds 99.5 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 2019, the Montgomery County Council approved FY20 Spending Affordability Guidelines (SAG) of \$2,442.3 million for the tax-supported funds of MCPS. The BOE requested \$2,498.2 million in tax supported funds, \$55.9 million above the SAG guideline. The County Executive's recommendation is \$41.4 million above the SAG guideline.

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 FY19 Operating Budget adopted by the BOE on February 13, 2018. Copies of that budget are available at Montgomery County libraries, on the MCPS website, and upon request from the school system.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following is emphasized:

Thriving Youth and Families

PROGRAM CONTACTS

Contact Nicola Diamond of the Montgomery County Public Schools at 240.314.3888 or Bruce Meier of the Office of Management and Budget at 240.777.2785 for more information regarding this agency's operating budget.

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%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	2,368,650,903	2,444,080,162	2,425,928,761	2,483,699,617	1.6 %
Current Fund MCPS Expenditures	2,368,650,903	2,444,080,162	2,425,928,761	2,483,699,617	1.6 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	21,090.64	21,254.35	21,254.35	21,649.85	1.9 %

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
REVENUES					
Basic State Aid	338,744,661	351,744,825	351,744,825	368,197,235	4.7 %
Federal Revenues	104,794	150,000	150,000	100,000	-33.3 %
Foster Care/Miscellaneous	242,513	140,000	140,000	200,000	42.9 %
GCEI - Geographic Cost of Education Index	36,854,599	37,711,769	37,711,769	38,902,207	3.2 %
Students With Disabilities	56,526,981	58,955,879	58,955,879	60,956,743	3.4 %
Thornton Legislation	204,758,509	215,138,780	215,138,780	219,907,148	2.2 %
Transportation	42,090,090	43,244,528	43,244,528	46,449,499	7.4 %
Tuition-Other Sources	3,326,736	3,366,736	3,366,736	3,370,000	0.1 %
Current Fund MCPS Revenues	682,648,883	710,452,517	710,452,517	738,082,832	3.9 %

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	82,395,422	83,728,498	83,728,498	87,075,245	4.0 %
Grant Fund MCPS Expenditures	82,395,422	83,728,498	83,728,498	87,075,245	4.0 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	558.37	557.59	557.59	570.94	2.4 %

REVENUES

Federal Grants	76,798,000	75,964,327	75,964,327	79,558,409	4.7 %
Private Grants	2,788,290	6,731,204	6,731,204	6,731,204	—
State Grants	2,809,132	1,032,967	1,032,967	785,632	-23.9 %
Grant Fund MCPS Revenues	82,395,422	83,728,498	83,728,498	87,075,245	4.0 %

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	57,733,700	56,219,199	56,219,199	58,107,965	3.4 %
Food Service Fund Expenditures	57,733,700	56,219,199	56,219,199	58,107,965	3.4 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	593.32	598.32	598.32	604.32	1.0 %

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
REVENUES					
Federal Food	41,872,671	36,910,793	36,910,793	38,276,538	3.7 %
Miscellaneous: Investment Income	9,358	0	0	0	—
Sale of Meals	17,476,818	17,078,839	17,078,839	17,588,383	3.0 %
State Food	2,179,972	2,229,567	2,229,567	2,243,044	0.6 %
Food Service Fund Revenues	61,538,819	56,219,199	56,219,199	58,107,965	3.4 %

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	3,360,543	3,952,935	3,952,935	3,966,407	0.3 %
Real Estate Fund Expenditures	3,360,543	3,952,935	3,952,935	3,966,407	0.3 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	12.00	12.00	12.00	12.00	—

REVENUES

Real Estate Fund	3,536,111	3,952,935	3,952,935	3,966,407	0.3 %
Real Estate Fund Revenues	3,536,111	3,952,935	3,952,935	3,966,407	0.3 %

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	2,196,677	2,530,246	2,530,246	2,736,949	8.2 %
Field Trip Fund Expenditures	2,196,677	2,530,246	2,530,246	2,736,949	8.2 %

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	2,148,783	2,530,246	2,530,246	2,736,949	8.2 %
Field Trip Fund Revenues	2,148,783	2,530,246	2,530,246	2,736,949	8.2 %

ENTREPRENEURIAL ACTIVITIES FUND

EXPENDITURES

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Entrepreneurial Activities Fund Personnel Costs	0	0	0	0	—
Operating Expenses	8,766,263	4,140,738	9,740,738	10,150,669	145.1 %
Entrepreneurial Activities Fund Expenditures	8,766,263	4,140,738	9,740,738	10,150,669	145.1 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	12.00	12.00	12.00	12.00	—
REVENUES					
Entrepreneurial Activities Fee	2,328,200	2,140,738	2,140,738	2,150,669	0.5 %
Entrepreneurial Activities Fund Revenues	2,328,200	2,140,738	2,140,738	2,150,669	0.5 %
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	1,680,588	1,789,941	1,789,941	1,799,775	0.6 %
Instructional Television Fund Expenditures	1,680,588	1,789,941	1,789,941	1,799,775	0.5 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	13.50	13.50	13.50	13.50	—
REVENUES					
DEPARTMENT TOTALS					
Total Expenditures	2,524,784,096	2,596,441,719	2,583,890,318	2,647,536,627	2.0 %
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total FTEs	22,284.33	22,452.26	22,452.26	22,867.11	1.8 %
Total Revenues	834,596,218	859,024,133	859,024,133	892,120,067	3.9 %

MCPS BUDGETS FY95-FY20

County Fiscal Year	Total Budget	Total Enrollment	Per Pupil	County Funding	As Percent of Total
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	\$2,318,388,936	156,447	\$14,819	\$1,540,794,230	66.5%
17	\$2,457,473,761	159,016	\$15,454	\$1,650,794,230	67.2%
18	\$2,517,093,841	161,470	\$15,589	\$1,683,943,316	66.9%
19	\$2,596,441,719	163,294	\$15,900	\$1,708,627,645	65.8%
20 CE Rec	\$2,647,536,627	164,477	\$16,097	\$1,723,315,527	65.1%

Sources: Approved Operating Budgets

MONTGOMERY COUNTY PUBLIC SCHOOLS ORGANIZATION—FY 2020

