

Resolution No.: 17-763
Introduced: May 23, 2013
Adopted: May 23, 2013

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Approval of and Appropriation for the FY 2014 Operating Budget of the Montgomery County Public School System

Background

1. As required by the Education Article, Sections 5-101 and 5-102 of the Maryland Code, the Board of Education sent to the County Executive and the County Council the FY 2014 Operating Budget for the Montgomery County Public School (MCPS) system as shown below.
2. The Executive sent to the Council his recommendations regarding this budget on March 15, 2013.
3. As required by Section 304 of the County Charter, the Council held public hearings on the Operating Budget and the Executive's recommendations on April 9, 10, and 11, 2013.
4. The appropriation in this resolution is based on the following projected revenues for FY 2014:

State:	\$604,989,615
Federal:	\$ 72,680,788
Other:	\$ 12,174,062
Enterprise:	\$ 60,353,542

5. This appropriation requires a local contribution of \$1,448,250,594 to Montgomery County Public Schools.
6. Of the local funds appropriated in this resolution, \$1,413,738,905 is the County contribution to meet Maintenance of Effort and \$34,511,689 is appropriated to meet the State's requirement for the County to fund the second year phase-in amount of the shift of teacher pension costs from the State to the County. The State requires that this amount be appropriated to the Montgomery County Public Schools in addition to the Maintenance of

Effort requirement during the phase-in period, and that the Montgomery County Public Schools must reimburse the State for this amount of teacher pension costs.

7. This resolution reappropriates \$26,972,451 of projected FY 2013 MCPS Current Fund balance.
8. The Superintendent submitted to the Council proposed changes by State category to meet the approved expenditure level as reflected in this appropriation.

Action

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

1. The Council approves the FY 2014 Operating Budget for the Montgomery County Public School system and appropriates the funds as shown below.

FY 2014 OPERATING BUDGET FOR MONTGOMERY COUNTY PUBLIC SCHOOLS

The Council approves and appropriates the following amounts:

I. Current Fund Category	BOE Request March, 2013	Council (Reduction)/ Addition	Council Approved Budget
1 Administration	38,453,655	(20,432)	38,433,223
2 Mid-Level Administration	138,632,510	(680,090)	137,952,420
3 Instructional Salaries	876,163,830	773,896	876,937,726
4 Textbooks and Instructional Supplies	24,848,778	(335,018)	24,513,760
5 Other Instructional Costs	12,815,866	38,386	12,854,252
6 Special Education	291,609,530	40,111	291,649,641
7 Student Personnel Services	10,964,290	(2,430)	10,961,860
8 Health Services	37,402		37,402
9 Student Transportation	97,678,646	13,979	97,692,625
10 Operation of Plant and Equipment	114,880,406	(151,380)	114,729,026
11 Maintenance of Plant	34,105,404	(44,486)	34,060,918
12 Fixed Charges	524,786,162		524,786,162
14 Community Services	461,777	(3,282)	458,495
Subtotal, including specific grants	2,165,438,256	(370,746)	2,165,067,510
Less Specific Grants	80,729,142		80,729,142
Subtotal, Spending Affordability	2,084,709,114	(370,746)	2,084,338,368
II. Enterprise Funds			
37 Instructional Television Fund	1,477,261		1,477,261
51 Real Estate Management Fund	2,920,399		2,920,399
61 Food and Nutrition Services Fund	51,189,670		51,189,670
71 Field Trip Fund	1,917,672		1,917,672
81 Entrepreneurial Fund	2,848,540		2,848,540
Subtotal, Enterprise Funds	60,353,542		60,353,542
Total Budget for MCPS	2,225,791,798	(370,746)	2,225,421,052

2. This resolution appropriates \$8,448,354 for the account titled “Provision for Future Supported Projects”, which provides funds for specific programs designated in a grant, contribution, reimbursement, or other non-county funding source received in FY 2014. When MCPS receives funds for a program from one of these sources, MCPS may transfer funds from this appropriation to the program. The following conditions are established on the use of this transfer authority:
 - a) The program must not require any present or future County funds.
 - b) Subject to the balance in the account, any amount can be transferred in FY 2014 for any program which meets at least one of the following four conditions: (1) the amount is \$200,000 or less; (2) the program was funded in FY 2013; (3) the program was included in the FY 2014 budget; (4) the program was funded by the Council in a supplemental or special appropriation in FY 2014. Any program that does not meet one of these four conditions must be funded by a supplemental or special appropriation.
 - c) MCPS must notify the Executive and the Council within 30 days after each transfer.
3. Any appropriation authorized in this resolution for any expenditure funded by non-County funds is contingent on the receipt of the non-County funds.
4. This resolution reappropriates or appropriates revenue received from non-County sources for programs funded in whole or in part from those non-County funds:
 - a) together with matching County funds, if any; and
 - b) to the extent that the program period approved by the non-County source encompasses more than one fiscal year, in order to complete the grant program under the terms of receipt of the non-County revenues.
5. This resolution reappropriates the fund balance of the Warehouse account.
6. The Council continues the procedure for transfers adopted in Resolution 12-889. This procedure applies only to the non-County portion of grant programs, and therefore only applies to those grant programs for which MCPS keeps separate accounts for County and non-County funds.
 - a) The Council will not take action on these transfers, so the transfers will be automatically approved after 30 days, as provided by State law.
 - b) MCPS staff must report each transfer to the Executive and the Council within 30 days after the transfer.

7. The following provision applies when MCPS receives more non-County funds than were budgeted for a project that also receives some County funds:
 - a) Council approval is not required to substitute non-County funds for County funds. In this case, there is no change in the appropriation.
 - b) Council approval is required to increase the appropriation. The Council may decide to substitute non-County funds for the County funds instead of increasing the appropriation.
8. This resolution reappropriates encumbered appropriations, permitting them to be spent in FY 2014. Unencumbered appropriations lapse at the end of FY 2013 except as reappropriated elsewhere in this resolution.
9. The Council has appropriated funds to the Montgomery County Police Department to support the School Resource Officer Program. The Council requests that the Montgomery County Public Schools work with the County Executive to develop a Memorandum of Understanding to manage the School Resource Officer program. The MOU must include a delineation of duties among MCPS administrators, MCPS security staff, and law enforcement officers; training guidelines for school and public safety personnel; and communication protocols among MCPS and public safety leadership and personnel. The County Executive will provide the Council with a progress report by July 8, 2013 and will provide either a written copy of the MOU or an additional progress report by November 1, 2013.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council