

Resolution No.: 17-1130
Introduced: May 22, 2014
Adopted: June 10, 2014

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #18-S14-CMCPS-5 to the FY14 Capital Budget and Amendment to the FY13-18 Capital Improvements Program
Montgomery County Public Schools
Technology Modernization (No. 036510)
Education Rate (E-Rate) Program, \$3,384,239

Background

1. 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.
2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. The County Executive recommends the following capital project appropriation increase and transfer:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Technology Modernization	036510	<u>\$3,384,239</u>	Federal Aid
TOTAL		\$3,384,239	Federal Aid

4. The Board of Education requested a supplemental request of \$3,384,239 in E-Rate funds for the Technology Modernization project. The E-Rate funds from the Federal Communication Commission's Schools and Libraries Program provide incentives for the use of technology in schools by providing rebates on Internet and telecommunication service costs. MCPS has been using these funds toward a lease/purchase agreement with Dell Marketing, LP to acquire Promethean boards and learning/response systems for secondary schools. In FY2013, E-rate funds were used to finance the first year payments for the interactive whiteboards and wireless technology initiative. MCPS is planning on using this supplemental request for the second year payment for the interactive classroom technology systems.
5. The County Executive has requested a supplemental appropriation to the FY14 Capital Budget and Amendment to the FY13-18 Capital Improvements Program in the amount of \$3,384,239 for Montgomery County Public Schools and specifies that the source of funds will be Federal Aid.
6. Notice of public hearing was given and a public hearing was held.

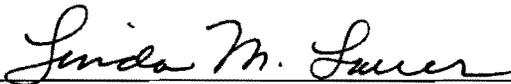
Action

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

A supplemental appropriation to the FY14 Capital Budget and amendment to the FY13-18 Capital Improvements Program is approved for the Montgomery County Public Schools is amended as reflected on the attached project description forms.

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Technology Modernization	036510	<u>\$3,384,239</u>	Federal Aid
TOTAL		\$3,384,239	Federal Aid

This is a correct copy of Council action.


 Linda M. Lauer, Clerk of the Council

Technology Modernization (P036510)

Category: Montgomery County Public Schools
 Sub Category: Countywide
 Administering Agency: Public Schools (AAGE18)
 Planning Area: Countywide
 Date Last Modified:
 Required Adequacy Put:
 Relocation Impact:
 Status:

	Total	Thru FY12	Rem FY12	Total 5 Years	FY 13	FY 14	FY
EXPENDITURE SCHEDULE (\$000s)							
Planning, Design and Supervision	249,689	98,182	18,178	133,329	22,588	22,088	22
Land	0	0	0	0	0	0	
Site Improvements and Utilities	0	0	0	0	0	0	
Construction	0	0	0	0	0	0	
Other	0	0	0	0	0	0	
Total	249,689	98,182	18,178	133,329	22,588	22,088	22

	Total	FY12	FY13	FY14	FY15	FY16	FY
FUNDING SCHEDULE (\$000s)							
Current Revenue: General	122,661	19,831	4,239	88,861	13,134	15,728	7.5
Current Revenue: Recordation Tax	118,430	73,251	10,573	32,806	7,413	8,360	15.0
Federal Aid	14,164	10,785	5,300	3,866	2,042	3,384	
Total	245,255	98,182	18,178	133,329	22,588	22,088	8

253,073 **APPROPRIATION AND EXPENDITURE DATA (\$000s)** *254,172*

Appropriation Request	FY 14	22,088
Supplemental Appropriation Request		3,384
Transfer		0
Cumulative Appropriation		140,991
Expenditure / Encumbrances		123,888
Unencumbered Balance		17,003

Date First Appropriation	FY 03
First Cost Estimate	
Current Scope	0
Last FY's Cost Estimate	218,755

Description

The Technology Modernization (Tech Mod) project is a key component of the MCPS strategic technology plan, Educational Technology for 21st Century Learning. This plan builds upon the following four goals: students will use technology to become actively engaged in learning, schools will address the digital divide through equitable access to technology, staff will improve technology skills through professional development, and staff will use technology to improve productivity and results.

In FY 2009, MCPS purchased and installed interactive classroom technology systems in approximately 2/3 of all secondary classrooms. The total cost is projected at \$13.3 million, financed over a four-year period (\$3.4M from FY 2009-2012). The funding source for the initiative is anticipated to be Federal e-rate funds. The Federal e-rate funds programmed in this PDF consist of available unspent e-rate balances: \$1.8M in FY 2010, \$1.6M in FY 2011, and \$327K in FY 2012. In addition, MCPS projects future e-rate funding of \$1.6M each year (FY 2010-2012) that may be used to support the payment obligation pending receipt and appropriation. No county funds may be spent for the initiative payment obligation in FY 2010-2012 without prior Council approval.

An FY 2011 appropriation was approved; however, it was \$1.011 million less than the Board of Education's request. The appropriation will continue the technology modernization project and fund one additional staff position for this project. During the County Council's reconciliation of the amended FY 2011-2016 CIP, the Board of Education's requested FY 2012 appropriation was reduced by \$3.023 million due to a shortfall in Recordation Tax revenue. An FY 2012 supplemental appropriation of \$1.339 million in federal e-rate funds was approved; however, during the County Council action, \$1.339 million in current revenue was removed from this project resulting in no additional dollars for this project in FY 2012. An FY 2013 appropriation was requested to continue the technology modernization project and return to a four-year replacement cycle starting in FY 2013; however, the County Council, in the adopted FY 2013-2018 CIP reduced the request and therefore, the replacement cycle will remain on a five-year schedule. An FY 2013 supplemental appropriation in the amount of \$2.042 million was approved in federal e-rate funds to roll out Promethean interactive technology across all elementary schools and to implement wireless networks across all schools. An FY 2014 appropriation was approved to continue this project.

Coordination

(\$000)	FY 13	FYs 14-18
Salaries and Wages:	1893	9465
Fringe Benefits:	807	4035
Workyears:	20.5	102.5