

Resolution No.: 18-179
Introduced: May 12, 2015
Adopted: June 9, 2015

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY15-20 Capital Improvements Program and Supplemental Appropriation #21-S15-CMCP5-6 to the FY15 Capital Budget Montgomery County Public Schools Technology Modernization (No. 036510), \$1,932,143

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 increases:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Technology Modernization	036510	Planning, Design and Supervision	\$1,932,143	Federal Aid

- 4. This increase is needed to support the third year payments of the financial agreements with Dell Financial Services L.L.C. to fund the Promethean interactive technology purchase and Banc of America for the purchase of Cisco wireless networking equipment, software, and services. The recommended amendment is consistent with the criteria for amending the CIP because it is supported by E-Rate funds from the Federal Communication Commission's Schools and Libraries Program to provide incentives for the use of technology in schools by providing rebates on Internet and telecommunication service costs.
- 5. The County Executive recommends an amendment to the FY15-20 Capital Improvements Program and a supplemental appropriation in the amount of \$1,932,143 for Technology Modernization (No. 036510), and specifies that the source of funds will be Federal Aid.
- 6. Notice of public hearing was given and a public hearing was held.

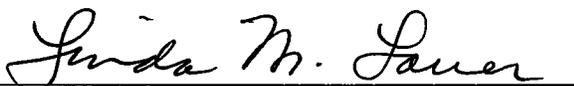
Action

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

The FY15-20 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Technology Modernization	036510	Planning, Design and Supervision	\$1,932,143	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	Date Last Modified	4/21/14
Sub Category	Countywide	Required Adequate Public Facility	No
Administering Agency	Public Schools (AAGE18)	Relocation Impact	None
Planning Area	Countywide	Status	Ongoing

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	294,215	138,949	22,088	133,178	24,758	23,538	21,358	21,998	20,728	20,798	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	294,215	138,949	22,088	133,178	24,758	23,538	21,358	21,998	20,728	20,798	0

	Total	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs			
FUNDING SCHEDULE (\$000s)											
Current Revenue: General	160,227	37,004	11,920	111,303	9,884	20,958	20,278	20,918	19,789	19,695	0
Current Revenue: Recordation Tax	123,280	91,237	10,168	21,875	15,094	2,579	1,080	1,080	939	1,103	0
Federal Aid	12,640	10,708	0	0	0	0	0	0	0	0	0
Total	296,147	138,949	22,088	133,178	24,758	23,538	21,358	21,998	20,728	20,798	0

APPROPRIATION AND EXPENDITURE DATA (000s) **1,932**

Appropriation Request	FY 15	24,758
Appropriation Request Est.	FY 16	23,538
Supplemental Appropriation Request		1,932
Transfer		0
Cumulative Appropriation		184,421
Expenditure / Encumbrances		138,949
Unencumbered Balance		25,472

Date First Appropriation	FY 03
First Cost Estimate	
Current Scope	0
Last FY's Cost Estimate	216,755

26,690

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.

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 balance: \$1.8M in FY 2010, \$1.8M 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.

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. An FY 2015 appropriation was approved to continue the technology modernization program which will enable MCPS to provide mobile (laptop and tablet) devices in the classrooms. The County Council adopted FY 2015-2020 CIP is approximately \$21 million less than the Board's request over the six year period. However, e-rate funding anticipated for FY 2015 and FY 2016 will bring expenditures in those two years up to the Board's request to begin the new initiative to provide mobile devices for students and teachers in the classroom.

Fiscal Note

A FY2014 supplemental appropriation of \$3,384 million in federal e-rate funds was approved by Council in June 2014.

Coordination

(\$000)	FY 15	FYs 16-20
Salaries and Wages:	1893	9465
Fringe Benefits:	807	4035
Workyears:	20.5	102.6