

Resolution No.: 18-548
Introduced: June 14, 2016
Adopted: June 28, 2016

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: County Council

SUBJECT: Special Appropriation to the FY16 Capital Budget, and
Amendment to the FY15-20 Capital Improvements Program,
Montgomery County Public Schools,
Technology Modernization Project, \$2,173,494
Source of Funds: Federal E-Rate Reimbursement

Background

1. Section 5-105 (d) of the Education Article of the Annotated Code of Maryland provides for the expenditure of non-local funds by the County Board of Education after adoption of the budget, only with the approval of the County fiscal authority.
2. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
3. Section 302 of the 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.
4. On May 26, the Board of Education requested a special appropriation for the Montgomery County Public Schools' FY16 Technology Modernization Capital Project as follows:

| <u>Project Name</u> | <u>Project Number</u> | <u>Amount</u> | <u>Source of Funds</u> |
|-----------------------------|---------------------------|---------------|------------------------------|
| Technology Modernization | P036510 | \$2,173,494 | Federal E-Rate Reimbursement |

- 5. This increase is needed to support the payments of the financial agreements that facilitated the rollout of Promethean interactive technology across all elementary schools and to implement wireless networks across all schools.
- 6. Notice of public hearing was given and public hearing was held.
- 7. The County Council declares this request is in the public interest to be acted upon without delay as provided for under special appropriation requirements described in Article 3, Section 308 of the Montgomery County Charter.

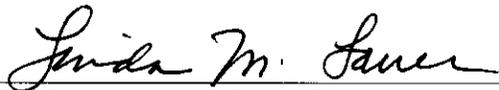
Action

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

A special appropriation for the FY16 Capital Budget and amendment to the FY15-20 Capital Improvements Program of the Montgomery County Public Schools is approved as follows:

| <u>Project Name</u> | <u>Project Number</u> | <u>Amount</u> | <u>Source of Funds</u> |
|--------------------------|-----------------------|---------------|------------------------------|
| Technology Modernization | P036510 | \$2,173,494 | Federal E-Rate Reimbursement |

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: 11/17/14
 Required Adequate Public Facility: No
 Relocation Impact: None
 Status: Ongoing

| | Total | Thru FY14 | Rem FY14 | Total 6 Years | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 | FY 20 | Beyond 5 Yrs |
|--------------------------------------|----------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| EXPENDITURE SCHEDULE (\$000s) | | | | | | | | | | | |
| Planning, Design and Supervision | 288,215 | 138,949 | 22,088 | 135,178 | 24,758 | 25,588 | 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 | 288,215 | 138,949 | 22,088 | 135,178 | 24,758 | 25,588 | 21,358 | 21,998 | 20,728 | 20,798 | 0 |

| | Total | Thru FY14 | Rem FY14 | Total 6 Years | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 | FY 20 | Beyond 5 Yrs |
|----------------------------------|----------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| FUNDING SCHEDULE (\$000s) | | | | | | | | | | | |
| Current Revenue: General | 185,881 | 37,004 | 11,920 | 102,737 | 9,684 | 19,393 | 20,276 | 20,916 | 19,790 | 19,658 | 0 |
| Current Revenue: Recordation Tax | 129,846 | 91,237 | 19,168 | 25,441 | 15,084 | 6,145 | 1,080 | 1,080 | 939 | 1,163 | 0 |
| Federal Aid | 10,708 | 10,708 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 286,215 | 138,949 | 22,088 | 138,178 | 24,768 | 25,538 | 21,356 | 21,996 | 20,729 | 20,798 | 0 |

| APPROPRIATION AND EXPENDITURE DATA (\$000s) | |
|---|---------------|
| Appropriation Request | FY 16: 23,538 |
| Supplemental Appropriation Request | 0 |
| Transfer | 0 |
| Cumulative Appropriation | 185,795 |
| Expenditure / Encumbrances | 138,949 |
| Unencumbered Balance | 46,846 |

2193

| | |
|--------------------------|---------|
| Date Final Appropriation | FY 03 |
| First Cost Estimate | |
| Current Scope | 0 |
| Last FY's Cost Estimate | 294,215 |

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 2011-2018 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. The County Council, during the review of the amended FY 2015-2020 CIP, programmed an additional \$2 million in FY 2016 for this project. A supplemental appropriation will be requested to have the \$2 million appropriated to MCPS. An FY 2016 appropriation was approved to continue the technology modernization program.

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 | 102.5 |