

# Montgomery County Public Schools

## 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 2013-14 school year (FY14), 151,289 students in pre-kindergarten classes through grade 12 attend 202 separate public educational facilities. For the 2014-15 school year (FY15), enrollment is estimated at 154,178 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 FY15 Operating Budget is \$2,302.8 million, an increase of \$77.4 million or 3.5 percent over the original FY14 approved budget of \$2,225.4 million and exceeds the State's Maintenance of Effort law by \$26.0 million. The County Executive recommends that MCPS' remaining fund balance be used to support the FY15 operating budget, providing an additional \$11.3 million in available funds. The Board of Education's (BOE) Operating Budget request for FY14 totaled \$2,317.3 million. The County Executive's recommendation would fund 99.4 percent of the Board of Education's (BOE) request.

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 by Community Use of Public Facilities; and the Maryland-National Capital Park and Planning Commission provides maintenance at 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 \$12.9 million in FY15 current revenue and \$27.8 million in recordation taxes are recommended in the recommended FY15-20 CIP. The debt service requirement for the MCPS capital program is estimated at \$133.2 million in FY15.

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

<b>Additional County Support for MCPS FY15</b>	
<b>MCPS Budget (in millions)</b>	<b>\$2,164.1</b>
Additional County funding (not included in MCPS budget)	
• Debt service on school construction bonds	\$133.2
• Pre-funding retiree health benefits	\$58.3
• Support services	\$55.0
• Technology modernization	\$22.8
<b>Total additional County funding</b>	<b>\$269.3</b>
<b>Total expenditures for MCPS</b>	<b>\$2,433.4</b>

Sources: Recommended FY15 Operating and Capital Budgets

The recommended budget includes the County's contribution of \$1,465.0 million plus \$38.2 million in carryover funds and \$37.8 million for State retirement (66.9 percent of all recommended funding), State aid and grants of \$618.8 million (26.9 percent), Federal grants and aid of \$69.9 million (3.0 percent), and tuition, fees, and private grants of \$12.3 million (0.5 percent). The recommended appropriation for the fee supported enterprise funds is \$59.2 million (2.6 percent) and for the special revenue fund is \$1.6 million (0.1 percent).

## Tax Supported Funding for the Public Schools

For FY15, the total tax supported portion of the Executive's recommendation (excluding grants and enterprise funds) is \$2,164.1 million, an increase of \$79.8 million or 3.8 percent over the original FY14 approved Operating Budget.

The tax supported portion of the recommendation includes a FY15 local contribution of \$1,465.0 million, plus carryover of \$38.2 million and \$37.8 million for State retirement for a total local contribution of \$1,541.1 million. The Executive's recommendation for local funding exceeds the State Maintenance of Effort (MOE) requirement by \$26.0 million.

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## **Fiscal Summary**

The Executive's total budget recommendation from all funding sources is \$2,302.8 million and funds 99.4 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 2014, the Montgomery County Council approved FY15 Spending Affordability Guidelines (SAG) of \$2,127.2 million for the tax supported funds of MCPS. The BOE requested \$2,178.6 million in tax supported funds.

## **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 FY15 Operating Budget adopted by the BOE on February 25, 2012. Copies of that budget are available at Montgomery County libraries, on the MCPS website and, upon request, from the school system.

## **LINKAGE TO COUNTY RESULT AREAS**

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***Children Prepared to Live and Learn***

## **ACCOMPLISHMENTS AND INITIATIVES**

- ❖ ***Support MCPS programs through expenditures in other County departments, such as Health and Human Services, Public Libraries, Recreation, Community Use of Public Facilities, and Police.***
- ❖ ***Make a County contribution to MCPS of \$1,541.1 million, including \$38.2 million in carryover and \$37.8 million of local contribution for State retirement.***
- ❖ ***Provide resources to accommodate the enrollment of 154,178 students.***
- ❖ ***Productivity Improvements***
  - ***Four MCPS high schools rank in the top 100 of The Washington Post's 2013 High School Challenge and all 25 MCPS high schools appear on this list, which only includes the top 9 percent of high schools in the country.***
  - ***Eight MCPS high schools made the U.S. News & World Report 2013 list of Best High Schools. MCPS had the top six high schools in the state of Maryland. U.S. News & World Report also ranked six MCPS high schools among the nation's best for Science, Technology, Engineering, and Mathematics (STEM) education.***
  - ***A historic high of 33,642 Advanced Placement (AP) exams were taken by MCPS students in 2013. Students earned a college-ready score (3 or higher) on 73 percent of those exams.***
  - ***MCPS has one of the highest graduation rates among the nation's largest school districts, according to an Education Week report. The Schott Foundation reports that MCPS has the highest graduation rate in the nation for African American males among the nation's largest districts.***

## **PROGRAM CONTACTS**

Contact Thomas Klausing of the Montgomery County Public Schools at 301.279.3547 or Jedediah Millard of the Office of Management and Budget at 240.777.2769 for more information regarding this agency's operating budget.

# BUDGET SUMMARY

	Actual FY13	Budget FY14	Estimated FY14	Recommended FY15	% Chg Bud/Rec
<b>CURRENT FUND MCPS</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Current Fund MCPS Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	2,056,273,539	2,084,338,368	2,069,838,368	2,164,140,006	3.8%
Capital Outlay	0	0	0	0	—
<b>Current Fund MCPS Expenditures</b>	<b>2,056,273,539</b>	<b>2,084,338,368</b>	<b>2,069,838,368</b>	<b>2,164,140,006</b>	<b>3.8%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	582.95	20,032.00	20,032.00	20,391.94	1.8%
<b>REVENUES</b>					
Basic State Aid	302,187,876	305,782,989	305,782,989	310,456,913	1.5%
Federal Revenues	504,490	400,000	200,000	400,000	—
Foster Care/Miscellaneous	281,377	400,000	400,000	400,000	—
GCEI - Geographic Cost of Education Index	32,796,296	33,636,554	33,636,554	34,394,095	2.3%
Students With Disabilities	49,873,129	48,568,815	50,018,815	51,202,771	5.4%
Thornton Legislation	170,316,007	179,615,574	179,615,574	184,221,187	2.6%
Transportation	36,100,856	36,985,683	36,985,683	38,090,967	3.0%
Tuition-Other Sources	4,184,544	3,725,708	3,975,708	3,875,708	4.0%
<b>Current Fund MCPS Revenues</b>	<b>596,244,575</b>	<b>609,115,323</b>	<b>610,615,323</b>	<b>623,041,641</b>	<b>2.3%</b>
<b>GRANT FUND MCPS</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Grant Fund MCPS Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	76,536,652	80,729,142	80,729,142	77,903,934	-3.5%
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCPS Expenditures</b>	<b>76,536,652</b>	<b>80,729,142</b>	<b>80,729,142</b>	<b>77,903,934</b>	<b>-3.5%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	7.00	590.30	590.30	564.90	-4.3%
<b>REVENUES</b>					
Federal Grants	72,775,609	72,280,788	72,280,788	69,455,580	-3.9%
Private Grants	901,113	8,448,354	8,448,354	8,448,354	—
State Grants	2,859,930	0	0	0	—
<b>Grant Fund MCPS Revenues</b>	<b>76,536,652</b>	<b>80,729,142</b>	<b>80,729,142</b>	<b>77,903,934</b>	<b>-3.5%</b>
<b>FOOD SERVICE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Food Service Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	51,249,507	51,189,670	51,189,670	51,222,406	0.1%
Capital Outlay	0	0	0	0	—
<b>Food Service Fund Expenditures</b>	<b>51,249,507</b>	<b>51,189,670</b>	<b>51,189,670</b>	<b>51,222,406</b>	<b>0.1%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	12.00	582.95	582.95	585.45	0.4%
<b>REVENUES</b>					
Child Care Food Service	0	1,334,335	1,334,335	1,334,335	—
Federal Food	29,210,879	28,797,309	28,797,309	28,821,508	0.1%
Sale of Meals	20,479,164	18,821,419	18,821,419	18,829,956	0.0%
State Food	1,097,324	2,236,607	2,236,607	2,236,607	—
<b>Food Service Fund Revenues</b>	<b>50,787,367</b>	<b>51,189,670</b>	<b>51,189,670</b>	<b>51,222,406</b>	<b>0.1%</b>
<b>REAL ESTATE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Real Estate Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>

	Actual FY13	Budget FY14	Estimated FY14	Recommended FY15	% Chg Bud/Rec
Operating Expenses	3,026,997	2,920,399	2,920,399	3,166,047	8.4%
Capital Outlay	0	0	0	0	—
<b>Real Estate Fund Expenditures</b>	<b>3,026,997</b>	<b>2,920,399</b>	<b>2,920,399</b>	<b>3,166,047</b>	<b>8.4%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	12.50	7.00	7.00	7.00	—
<b>REVENUES</b>					
Real Estate Fund	3,026,997	2,920,399	2,920,399	3,166,047	8.4%
<b>Real Estate Fund Revenues</b>	<b>3,026,997</b>	<b>2,920,399</b>	<b>2,920,399</b>	<b>3,166,047</b>	<b>8.4%</b>
<b>FIELD TRIP FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Field Trip Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,664,949	1,917,672	1,917,672	1,895,960	-1.1%
Capital Outlay	0	0	0	0	—
<b>Field Trip Fund Expenditures</b>	<b>1,664,949</b>	<b>1,917,672</b>	<b>1,917,672</b>	<b>1,895,960</b>	<b>-1.1%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	472.14	4.50	4.50	4.50	—
<b>REVENUES</b>					
Field Trip Fees	1,735,962	1,917,672	1,917,672	1,895,960	-1.1%
<b>Field Trip Fund Revenues</b>	<b>1,735,962</b>	<b>1,917,672</b>	<b>1,917,672</b>	<b>1,895,960</b>	<b>-1.1%</b>
<b>ENTREPRENEURIAL ACTIVITIES FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Entrepreneurial Activities Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	2,604,177	2,848,540	2,848,540	2,910,612	2.2%
Capital Outlay	0	0	0	0	—
<b>Entrepreneurial Activities Fund Expenditures</b>	<b>2,604,177</b>	<b>2,848,540</b>	<b>2,848,540</b>	<b>2,910,612</b>	<b>2.2%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	12.60	12.60	12.60	—
<b>REVENUES</b>					
Entrepreneurial Activities Fee	2,235,250	2,848,540	2,848,540	2,910,612	2.2%
<b>Entrepreneurial Activities Fund Revenues</b>	<b>2,235,250</b>	<b>2,848,540</b>	<b>2,848,540</b>	<b>2,910,612</b>	<b>2.2%</b>
<b>INSTRUCTIONAL TELEVISION FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Instructional Television Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,379,731	1,477,261	1,477,261	1,595,624	8.0%
Capital Outlay	0	0	0	0	—
<b>Instructional Television Fund Expenditures</b>	<b>1,379,731</b>	<b>1,477,261</b>	<b>1,477,261</b>	<b>1,595,624</b>	<b>8.0%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	4.50	12.50	12.50	13.50	8.0%
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>2,192,735,552</b>	<b>2,225,421,052</b>	<b>2,210,921,052</b>	<b>2,302,834,589</b>	<b>3.5%</b>
<b>Total Full-Time Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total Part-Time Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total FTEs</b>	<b>1,091.09</b>	<b>21,241.85</b>	<b>21,241.85</b>	<b>21,579.89</b>	<b>1.6%</b>
<b>Total Revenues</b>	<b>730,566,803</b>	<b>748,720,746</b>	<b>750,220,746</b>	<b>760,140,600</b>	<b>1.5%</b>

<b>MCPS EXPENDITURES FY80-FY15</b>					
<b>County Fiscal Year</b>	<b>Total Expenditures</b>	<b>Total Enrollment</b>	<b>Per Pupil</b>	<b>County Funding</b>	<b>As Percent of Total</b>
80	\$283,964,983	102,519	\$2,770	\$217,458,068	76.6%
81	\$310,301,970	98,843	\$3,139	\$243,994,370	78.6%
82	\$331,546,219	95,587	\$3,469	\$267,891,955	80.8%
83	\$351,939,986	92,517	\$3,804	\$286,965,658	81.5%
84	\$371,322,717	91,030	\$4,079	\$303,726,901	81.8%
85	\$399,916,181	91,704	\$4,361	\$330,035,065	82.5%
86	\$436,875,791	92,871	\$4,704	\$361,788,973	82.8%
87	\$475,866,930	94,460	\$5,038	\$398,053,264	83.6%
88	\$519,622,140	96,271	\$5,397	\$434,582,576	83.6%
89	\$577,957,669	98,519	\$5,866	\$488,062,505	84.4%
90	\$642,553,932	100,259	\$6,409	\$545,768,528	84.9%
91	\$702,260,084	103,732	\$6,770	\$601,407,797	85.6%
92	\$712,896,646	107,140	\$6,654	\$603,939,300	84.7%
93	\$738,767,864	110,037	\$6,714	\$622,732,456	84.3%
94*	\$793,907,907	113,429	\$6,999	\$666,557,884	84.0%
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	\$1,475,222,438	66.3%
15 CE Rec	\$2,302,834,589	154,178	\$14,936	\$1,541,098,365	66.9%

Sources: Approved Operating Budgets

Notes:

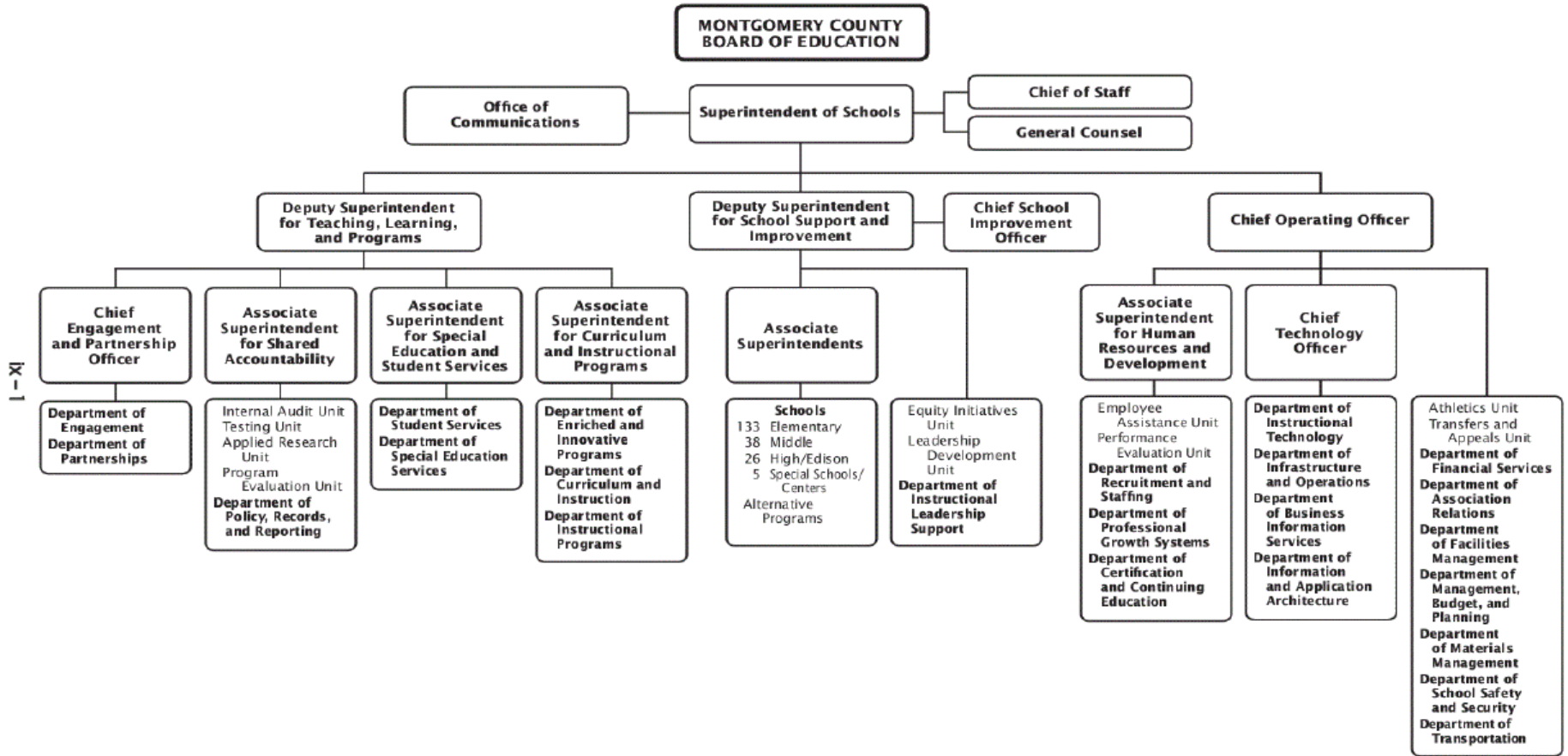
\* State legislative action shifted responsibility for teacher Social Security payments to local jurisdictions in FY94.

Per pupil spending represents all sources of funds

In addition to MCPS appropriations, the following County departments also support MCPS programs:

- School Health Nurses and Health Room Technicians (Health and Human Services)
- Childhood Wellness (Health and Human Services)
- Linkages to Learning (Health and Human Services)
- Research and Internet Resources (Public Libraries)
- Sports Academies (Recreation)
- Crossing Guards (Police)
- Reimbursements for Rented Classrooms and Sports Fields (Community Use of Public Facilities)
- Stormwater Facility Maintenance (Environmental Protection)
- Capital Improvements Program (CIP) Current Revenue
- Debt Service on School Facilities

# MONTGOMERY COUNTY PUBLIC SCHOOLS ORGANIZATION—FY 2015



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