

**MEMORANDUM**

April 10, 2019

TO: Education and Culture Committee

FROM: Vivian Yao, Legislative Analyst *my*

SUBJECT: FY20 Operating Budget -- **Non-Departmental Account (NDA) -Montgomery Coalition for Adult English Literacy (MCAEL)**

PURPOSE: Review and make recommendations on the FY20 Operating Budget NDA for MCAEL

*Those expected to attend this worksession include:*

- Kathy Stevens, Executive Director, MCAEL
- Deborah Lambert, Office of Management and Budget

***MCAEL FY20 Recommended Operating Budget***

For FY20, the Executive has recommended funding of \$1,757,058 for MCAEL, which is level funded with the FY19 Approved Budget. The Executive's recommendation for MCAEL is attached at ©1-2. The following table shows the changes in County funding from FY18 through FY20.

	<b>FY18 Budget</b>	<b>FY19 Budget</b>	<b>FY20 Rec</b>	<b>% Change FY19-FY20</b>	<b>% Change FY18-FY20</b>
<b>Expenditures</b>					
General Fund	\$ 1,657,058	\$ 1,757,058	\$ 1,757,058	0.0%	6.0%
<b>TOTAL Expenditures</b>	<b>\$ 1,657,058</b>	<b>\$ 1,757,058</b>	<b>\$ 1,757,058</b>	<b>0.0%</b>	<b>6.0%</b>

***MCAEL Budget Priorities and Funding Requests***

In her April 4 memorandum to the E&C Committee (©3-12), Ms. Stevens states that flat funding would allow for the same service delivery as FY19. She emphasizes that the organization would be limited in expanding services consistent with the goals in the MCAEL strategic plan, including expanding services at workplaces, work with early care and education professionals and parents, and outreach to underserved populations including Muslim and East County residents, and technical assistance to new programs.

MCAEL provided several funding scenarios to the County Executive, including a proposed funding scenario for an increase of \$100,000, with the following description:

An increase of \$100,000 would allow MCAEL to increase grants to the strongest programs and/or programs in geographical areas where we see greatest need by about \$70,000-\$80,000 which could be used by programs for new classes, instructor stipends, additional classes, and/or basic resources to enhance the learning environment (technology, books). This would provide opportunities for increased implementation of best practices (assessment, student goals) in the classroom and retention of learners. Additionally, MCAEL would dedicate some of this funding to its operating budget, workplace based classes, focus on work with early care and education professionals and parents, outreach to underserved populations (Muslim residents and East County residents), and technical assistance to new programs. At this level, approximately 4-7 classes could be added at a site, serving about 15 learners in each class. About 300-600 new learners could be served, and over time, this number could increase. Little to no expansion for other scalable approaches could be realized.

**Ms. Stevens requests that the Committee place funding in the following two tranches on the Reconciliation List:**

- \$50,000 to be used for grants to community organization to provide classes; and
- \$25,000 to be used to support expansion programming with new partners, underserved geographic locations and underserved populations

**Council staff recommendation: Add \$75,000 to the Reconciliation List in two tranches of \$50,000 for grants and \$25,000 for expansion programming.**

In its annual update to the Committee, MCAEL provided information about the demand for English language instruction for adults in the County. Currently, MCAEL coalition providers are serving about 10-12% of the Limited English Proficient (LEP) population in the County. Thus, the MCAEL Board developed a goal to significantly increase the number of adult learners served each year through 2021.

The Council has acknowledged the need to grow adult ESOL programming and increase the numbers of adults on a pathway to language proficiency, as these skills are important to participate in the workforce, improve community connectedness, and support children's education.

MCAEL has positioned itself to make use of this increased funding well, having laid the groundwork to support expansion of ESOL programming and starting new initiatives including workforce ESOL programming and outreach to underserved communities. MCAEL reports that for the FY20 Grant Cycle, it received 30 proposals required a total of \$1,500,285 to serve 1700 additional learners (see also ©8).

Moreover, County funding of MCAEL leverages additional investment. In response to the Committee's request, Ms. Steven reports that in FY18, MCAEL grantees provided \$933,591 in in-kind funding and an \$1,790,518 in additional funding for their adult ESOL programs.

**The Committee should encourage MCAEL to strategically coordinate its efforts to expand programming for parents and teachers of young children with the new Early Care and Education Initiative recently announced by the Council President and County Executive and implementation of the Montgomery County Early Care and Education Strategic Plan by the Department of Health and Human Services.**

FY20 Recommended Changes	Expenditures	FTEs
Increase Cost: Leases added in FY20	138,105	0.00
Increase Cost: Wheaton Redevelopment Center operating costs	75,000	0.00
Increase Cost: Net increase in Chargebacks	22,316	0.00
Decrease Cost: Lease Negotiation savings	(75,784)	0.00
Decrease Cost: Reduced Maintenance Costs	(1,953,999)	0.00
Decrease Cost: African American Health Program Lease - Remove FY19 buildout cost	(225,000)	0.00
<b>FY20 Recommended</b>	<b>21,179,577</b>	<b>0.00</b>

**☀ Legislative Branch Communications Outreach**

This NDA provides funds to strengthen the capacity of five Legislative Branch offices (the Council Office, the Office of Legislative Oversight, the Board of Appeals, the Office of Zoning and Administrative Hearings, and the Office of the Inspector General) to inform constituent communities of issues that directly affect them and to ensure that these communities' concerns are effectively taken into account. Communications efforts supported by this NDA include expanded outreach in Spanish and other languages, greater use of web and social media resources, Open Government initiatives, and improved management of constituent requests.

FY20 Recommended Changes	Expenditures	FTEs
<b>FY19 Approved</b>	<b>540,000</b>	<b>2.00</b>
Increase Cost: Operating Expenses	200,000	0.00
Increase Cost: Annualization of Council-Approved FY19 Supplemental Appropriation	140,213	1.00
Increase Cost: FY20 Compensation Adjustment	8,973	0.00
Increase Cost: Retirement Adjustment	814	0.00
<b>FY20 Recommended</b>	<b>890,000</b>	<b>3.00</b>

**☀ Metro Washington Council of Governments**

The Metropolitan Washington Council of Governments (COG) is a voluntary association of major local governments in the Washington Metropolitan Area. COG seeks to provide regional answers to, and coordination of, area-wide issues such as air and water pollution, day care, housing, crime, water supply, land use, and transportation.

This NDA reflects Montgomery County's share of the organization's operation plus special COG initiatives. Additionally, the contribution supports the Cooperative Purchasing Program; the Anacostia Restoration Fund; and the Regional Environmental Fund.

As in previous years, the Washington Suburban Sanitary Commission will provide Montgomery County's contribution to support the Water Resources Management Planning Program and the Blue Plains Users Program.

FY20 Recommended Changes	Expenditures	FTEs
<b>FY19 Approved</b>	<b>876,719</b>	<b>0.00</b>
Shift: Urban Area Security Initiative Grant: Police Replacement Funding	510,382	0.00
Shift: Urban Area Security Initiative Grant: Technology Services Replacement Funding	146,839	0.00
Increase Cost: Anacostia Restoration Fund	48,460	0.00
<b>FY20 Recommended</b>	<b>1,582,391</b>	<b>0.00</b>

**☀ Montgomery Coalition for Adult English Literacy**

This NDA provides funding for the Montgomery Coalition for Adult English Literacy (MCAEL). MCAEL's mission is to strengthen the Countywide adult English literacy providers' network with resources, training, collaborations, and advocacy to support a thriving community and an effective workforce. Funding for MCAEL supports grants to 20 community organizations for 27 programs that provide adult English literacy classes. Additionally, MCAEL receives operating funding to provide technical assistance, training, and networking opportunities to over 65 community organizations that improve program quality and coordination and provide critical information for the community to educate and engage them about the need for and benefits from adult English literacy classes. The County's contribution is implemented by a contract between the Department of Public Libraries and MCAEL.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	1,757,058	0.00
FY20 Recommended	1,757,058	0.00

**Montgomery County Economic Development Corporation**

This is the private non-profit corporation established by Council Bill 25-15 that serves as Montgomery County's lead economic development organization. The Economic Development Corporation is responsible for implementing the County's economic development strategy plan and related programs that include marketing, business retention and attraction, entrepreneurship, and promoting the development of the County's economic base.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	5,007,750	0.00
FY20 Recommended	5,007,750	0.00

**Montgomery County Employee Retirement Plans**

The mission of this NDA is to manage prudent investment programs for the members of the Employee Retirement Plans and their beneficiaries. Expenditures associated with this program are funded from the Employees' Retirement System (ERS), Retirement Savings Plan (RSP), and the General Fund on behalf of the Montgomery County Deferred Compensation Plan (DCP) trust funds and are, therefore, not appropriated here. This NDA manages the assets of the ERS through its investment managers in accordance with the Board's asset allocation strategy and investment guidelines. The Board also administers the investment programs for the RSP and DCP. The Board consists of 13 trustees including the Directors of Human Resources, Finance, and Management and Budget; the County Council Executive Director; one member recommended by each employee organization; one active employee not represented by an employee organization; one retired employee; two members of the public recommended by the County Council; and two members of the general public.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	0	0.00
FY20 Recommended	0	0.00

**Motor Pool Fund Contribution**

This NDA funds the acquisition of new, additional Motor Pool fleet vehicles, as opposed to replacement vehicles, which are financed through an established chargeback mechanism.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	876,939	0.00
Increase Cost: Additional Police Vehicles for Positions New in FY19	123,861	0.00
Enhance: Cars for Two Housing Code Inspector Positions in Housing and Community Affairs	64,000	0.00
Increase Cost: Elimination of One-Time Items Approved in FY19	(876,939)	0.00
FY20 Recommended	187,861	0.00

**Municipal Tax Duplication**

The Montgomery County Tax Duplication Program, authorized by Chapter 30A of the Montgomery County Code, reimburses municipalities for those public services they provide that would otherwise be provided by the County. The current reimbursement policy current reimbursement policy goes beyond State law, Section 6-305, which requires the County to provide to municipalities only the Property Tax funded portion of those costs. County Council Resolution No. 9-1752, enacted April 27, 1982, increased the scope of program coverage from street-related expenditures to include other public services, such as police supplemental and animal control, elderly transportation, parks maintenance, Board of Appeals, and Human Rights.

This program was reviewed in FY96 and technical formula amendments were proposed. The changes were approved, and payment calculations since then are prepared in accordance with County Council Resolution No. 13-650, adopted September 10, 1996. Specifically, as



April 4, 2019

Update to County Council Education & Culture Committee

MCAEL NDA Work Session April 12, 2019

Submitted by: *Kathy Stevens, Executive Director*

1. **MCAEL's FY20 Budget Request to Montgomery County Executive And Anticipated FY20 Work to Implement 2018-2021 Strategic Plan and Support the Provider Network**

MCAEL continues to expand a strong network of adult English literacy providers that is thriving and coordinated to deliver quality classes to those in need. MCAEL, as a separately incorporated 501(c)(3) nonprofit, now is in its 12<sup>th</sup> year. The work of MCAEL staff and providers continues to support our mission, "to strengthen the countywide adult English literacy network to support a thriving community and effective workforce."

MCAEL prepared several funding scenarios for the county executive with an emphasis on the second one mentioned here<sup>1</sup>. In short, MCAEL requested a \$100,000 budget increase to:

- increase numbers of learners served by 300-600 individuals
- partially support other program initiatives to diversify and increase number of learners served (workplace program, additional programming in East County/with underserved populations)(see FY20 plans for additional programmatic initiatives to scale up services).

These proposals were provided to the County Executive:

Proposed Funding Scenario #1-Flat Funding

With flat funding MCAEL would anticipate that the grantees would serve the same number of learners and we would provide the same service delivery as FY19. However, we would be less likely to move forward on expanding services at workplaces, with early care and education and to serve underserved populations (such as those residents in the Muslim population)

Proposed Funding Scenario #2 - \$100,000 Increase

An increase of \$100,000 would allow MCAEL to increase grants to the strongest programs and/or programs in geographical areas where we see greatest need by about \$70,000-\$80,000 which could be used by programs for new classes, instructor stipends, additional classes, and/or basic resources to enhance the learning environment (technology, books). This would provide opportunities for

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<sup>1</sup> MCAEL was also asked to provide a reduction scenario of a 2% reduction, which is not included here.

increased implementation of best practices (assessment, student goals) in the classroom and retention of learners. Additionally, MCAEL would dedicate some of this funding to its operating budget, workplace-based classes, focus on work with early care and education professionals and parents, outreach to underserved populations (Muslim residents and East County residents), and technical assistance to new programs. At this level, approximately 4-7 classes could be added at a site, serving about 15 learners in each class. About 300-600 new learners could be served, and over time, this number could increase. Little to no expansion for other scalable approaches could be realized.

The recommended budget for MCAEL from the County Executive is flat, \$1,757,058. The MCAEL board has started preliminary conversations about how we can continue to meet the expansion goals set forth in the strategic plan and respond to the needs of our grantees. With a flat budget, we can expect, at best, minimal expansion if we can quickly identify, cultivate and ask for funding from other private funding sources. While we are always fundraising, in order for programs to schedule classes, etc. funding needs to be confirmed as early as possible. A preliminary draft budget for FY20 is attached.

MCAEL is respectfully requesting an increase to the recommended County Executive proposed budget in two tranches:

- 1) \$50,000 to be used for grants to community organizations to provide classes
- 2) \$25,000 to be used to support expansion programming with new partners, underserved geographic locations and underserved populations

### **FY20 Anticipated Work and Funding Needs**

1. **MCAEL Grant Applications** – The application deadline was April 2. **MCAEL has received 30 proposals requesting a total of \$1,500,285 and proposing to serve an additional 1700 learners.** Those applications will be reviewed by the grants panel which will make funding recommendations to the MCAEL board. As in past years, many applications will not be fully funded; however it is unlikely without additional funding of at least \$50,000 that any significant increases can be realized. A chart summarizing grant funding requests, amount funded and learners served for the past 2 years and requests for FY20 is attached.
2. MCAEL will play a central role in the county's commitment to early care and education initiatives. As the research shows, the years of 0-5 in a child's life are pivotal. A child's first teacher is her parents and thus MCAEL's work with parents on their English literacy skills are a key component, in addition to other early care/education settings, that affect a child's future success in our schools. MCAEL is intending to shape some new opportunities to bring families together in more spaces (and working close with providers in these spaces) to increase English classes for parents of small children.
3. MCAEL has several initiatives that we hope to expand and implement next year including:
  - a. Increased training opportunities to build a larger cadre and pipeline of English instructors (based on responses to recent coalition survey data)(already begun)

- b. Expansion of increased access at workplaces in partnership with employers (already begun)
- c. Connection to more classes for parents of young and school aged children in partnership with faith-based organizations and/or MCPS and/or MCPL.
- d. Using non-county funding conducting assessment of our tools for outreach and developing any new tools/names/taglines to better reach priority audiences

We were also just selected to give two presentations at the national ProLiteracy conference. One item we are presenting on is a one-of-a kind program administrators' toolkit to be used by community programs of any size. Network providers all contributed and we think this will become a widely used tool and showcases MCAEL's unique standing in the country as a literacy coalition.

**2. FY 19 Accomplishments and Fiscal Update**

**FY19 Funds Allocation**

In FY 19, MCAEL received \$1,757,098 from Montgomery County. That funding was divided as follows:

MCAEL Grants	\$1,190,000
<u>MCAEL Operating</u>	<u>\$567,098</u>
Total County Funding FY18	\$1,757,098

MCAEL's FY 19 budget reflects planned additional fundraising of over \$120,000 to supplement the MCAEL operating budget which we are on track to raise. MCAEL's budget v. actuals is attached for FY19.

The committee has asked for additional information on how much MCAEL grantees leverage in terms of additional funding and in-kind support.

In FY 18, MCAEL grantees leveraged \$933,591 in In-Kind funding and an additional \$1,790,518 in additional funding for their adult ESOL programs. This additional \$2.6 million shows not only the reach of the programs, but the clear impact the county's investment has in supporting the work and the ability for programs to leverage additional support. MCAEL also leverages about an additional \$75,000-100,000 in additional operational in-kind support and an additional \$120,000+ in fundraising.

A chart summarizing the additional support leveraged by both MCAEL and grantees, and additional funding that grantees have leveraged is included as an attachment. Please note, that there are many non-grantee programs that connect with MCAEL for information, training and resources; none of their financial information is included, though we do include the learners they serve in overall numbers when we estimate total learners served in the county.

MCAEL's work (grant making, capacity building, training and technical assistance) is informed by data. MCAEL's output and outcomes data is included in our FY18 Report, [https://www.mcael.org/sites/default/files/mcael annual report fy18 .pdf](https://www.mcael.org/sites/default/files/mcael%20annual%20report%20fy18.pdf). MCAEL measures progress not only for the increase in English skills of individual learners through specific indicators



of success, but also for programs using the international TESOL (Teachers of English to Speakers of Other Languages) standards for adult ESOL programs.

MCAEL works with County Stat to provide comparison data from the ACS survey to MCAEL Provider data to chart and map trends, service delivery and shifts in who the MCAEL network is serving. The online story map and data can be found here: <https://mcael.org/montgomery-county-md>.

### **Selected highlights from FY19 to date**

- Expanded workplace classes at GEICO and in partnership with BF Saul at 2 up-county hotels
- Preliminary estimate showing learners served by grantees 300+ learners above the proposed number
- Trained 5 additional facilitators for MCAEL's 2-day "More Learning, Less Teaching" (MLLT) for instructors in order to offer more MLLT trainings in FY20 and beyond.
- Surveyed MCAEL providers and their instructors to determine needs and areas for further development and collaboration
- Producing the upcoming 6<sup>th</sup> Annual Grown-Up Spelling Bee for Literacy (increasing participation and sponsorships)
- Responding to requests for new conversations classes at elementary schools and working with the Muslim community to identify new class/program partners and opportunities.

MCAEL continues to support the growing number of network participants, programs and initiatives with a relatively lean staff of 6 employees (5.25 FTE). MCAEL supplements our work with ESOL expert consultants who provide our workshops, trainings and other expert advice, along with unpaid volunteers (for details on In-Kind support, please see the table attached as an Appendix)

### **3. Future Work and Conclusion**

MCAEL is poised to expand our work to increase access to additional adult ESOL programs and increase the numbers of adults on a pathway to proficiency. Our progress continues to show through program improvements, individual learner gains, and recognition of the collaborative and innovative work we are doing as a coalition, (for instance the forthcoming Program Administrator's Toolkit which features input and examples from most of the MCAEL providers).

We have received clear messages from the county government that our work is vital to supporting the county priorities in early care and education, workforce development, our schools etc. Our data clear shows that the investment the county makes in us and the network of providers and grantees provides infrastructure support to leverage additional funds. Each year for the last 7 years, with additional funding our work has grown; we have served more learners and our data shows not just greater outputs, but importantly greater outcomes. We respectfully request at least \$50,000 additional investment in the grant funding we provide for FY20 and an additional \$25,000 in MCAEL programmatic efforts to scale up the work we do.

We look forward to our continued support from and work with the county government.

**ATTACHMENT #1**

**Montgomery Coalition for Adult English Literacy, Inc.  
Draft FY 20 County Budget**

	FY20 Budget	FY 19 Budget	Comments
<b>Revenue</b>			
MC Operating Grants	567,058	567,058	proposed flat
<b>Total Revenue</b>	<b>567,058</b>	<b>567,058</b>	Requesting \$25,000 programmatic focused increase - \$589,058
<b>Expenses</b>			
Salary and Benefits	394,000	374,805	
<b>Direct Expenses</b>			
Professional Development for Instructors	9,500	11,060	
Instructional Materials	1,600	4,313	fundraise for additional training materials
Outcomes Project	4,500	5,225	work with data collection and assessment
Technical Support	15,866	18,050	special assistance given to programs, especially new grantees
Supplies	2,000	4,550	
Program Support and Development	7,000	9,000	new programs to increase access
<b>Subtotal Direct Expenses</b>	<b>40,466</b>	<b>52,198</b>	
<b>Allocated Direct Expenses</b>			
Rent Expense	45,363	45,363	will be more due to annual rent increases; not included here at this time
Bookkeeping Fees	2,400	2,400	
Tech Plan/Database	6,500	7,200	
Graphic Design	1,500	3,000	
Meeting Expense	1,500	1,800	
Postage	1,000	1,800	
Printing and Copying	9,600	9,600	
Professional Development	3,800	3,900	
Travel	2,200	2,400	
Contract Services	4,000	6,500	
Subs, Pubs and Dues	1,219	1,219	0
<b>Subtotal Allocated Direct Expenses</b>	<b>79,082</b>	<b>85,182</b>	0
<b>Montgomery Coalition for Adult English Literacy, Inc.</b>			
<b>Statement of Activities</b>			
<b>For the 8 months ended February 28, 2019</b>			
	<b>Actual</b>	<b>Annual</b>	<b>Budget</b>
	<b>To Date</b>	<b>Budget</b>	<b>Remaining</b>
<b>Indirect Allocated</b>			
Auditor/Accounting	3,760	3,750	
Computer	6,500	5,344	
Repairs and Maintenance	1,500	1,764	
Communications	10,000	10,940	
Marketing	2,500	3,825	
Insurance	4,500	4,500	
Grant Writer	24,750	24,750	
<b>Subtotal Indirect Allocated</b>	<b>53,510</b>	<b>54,873</b>	
<b>Total Expenses</b>	<b>567,058</b>	<b>567,058</b>	
<b>Surplus (Deficit)</b>			
<b>From Operations</b>	<b>0</b>	<b>0</b>	
MC Capacity Building Grants	1,190,000	1,190,000	Flat grant budget recommended from CE
Capacity Building Expenditures	1,190,000	1,190,000	Requesting +50,000 = \$1,240,000
<b>Net Surplus (Deficit)</b>	<b>0</b>	<b>0</b>	

DRAFT

**ATTACHMENT #2**

**MCAEL Grant Requests and Funding FY18-FY20**

<b>Funding year</b>	<b>Amount Requested</b>	<b>Amount funded</b>	<b>Organizations Funded</b>	<b>Programs Funded</b>	<b>Classes Provided</b>	<b>Learners Served</b>
FY20	\$1,500,285	TBD	TBD	TBD	TBD	Target - 9,802
FY 19	\$1,381,976	\$1,190,000	20	27 (9 program grants, 18 access grants)	543	Target - 8,197 Current estimated actual -8,537
FY 18	\$1,270,958	\$1,120,000	20	25 (9 program grants, 14 access)	512	7,627



## ATTACHMENT #3

Montgomery Coalition for Adult English Literacy, Inc.				
Statement of Activities				
For the 8 months ended February 28, 2019				
	Actual	Annual	Budget	
	To Date	Budget	Remaining	Comments
<b>Revenue</b>				
MC Operating Grants	269,218	567,058	297,840	
<b>Total Revenue</b>	<b>269,218</b>	<b>567,058</b>	<b>297,840</b>	Rec'd Q3 Operating Invoice in March; one additional operating invoice pending
<b>Expenses</b>				
Salary and Benefits	229,450	374,805	145,355	
<b>Direct Expenses</b>				
Professional Development for Instructors	2,500	11,060	8,560	Total budget has been scheduled, not yet billed
Instructional Materials	4,025	4,313	288	
Outcomes Project	6,962	5,225	(1,737)	
Technical Support	3,070	18,050	14,980	One large project that has been underway all year, is 85% complete and will be billed by June 15.
Supplies	1,361	4,550	3,189	
Program Support and Development	8,479	9,000	521	
<b>Subtotal Direct Expenses</b>	<b>26,397</b>	<b>52,198</b>	<b>25,801</b>	
<b>Allocated Direct Expenses</b>				
Rent Expense	30,750	45,363	14,613	
Bookkeeping Fees	2,100	2,400	300	
Tech Plan/Database	10,250	7,200	(3,050)	
Graphic Design	2,050	3,000	950	
Meeting Expense	1,670	1,800	130	
Postage	458	1,800	1,342	
Printing and Copying	7,473	9,600	2,127	
Professional Development	3,124	3,900	776	
Travel	160	2,400	2,240	
Contract Services	10,167	6,500	(3,667)	
Subs, Pubs and Dues	1,342	1,219	(123)	
<b>Subtotal Allocated Direct Expenses</b>	<b>69,544</b>	<b>85,182</b>	<b>15,638</b>	
<b>Montgomery Coalition for Adult English Literacy, Inc.</b>				
<b>Statement of Activities</b>				
<b>For the 8 months ended February 28, 2019</b>				
	Actual	Annual	Budget	
	To Date	Budget	Remaining	
<b>Indirect Allocated</b>				
Auditor/Accounting	6,750	3,750	(3,000)	
Computer	9,758	5,344	(4,414)	
Repairs and Maintenance	0	1,764	1,764	
Communications	3,972	10,940	6,968	
Marketing	2,070	3,825	1,755	
Insurance	2,857	4,500	1,643	
Grant Writers	20,500	24,750	4,250	
<b>Subtotal Indirect Allocated</b>	<b>45,907</b>	<b>54,873</b>	<b>8,966</b>	
<b>Total Expenses</b>	<b>371,298</b>	<b>567,058</b>	<b>195,760</b>	
<b>Surplus (Deficit)</b>				
From Operations	(102,080)	0	(102,080)	
MC Capacity Building Grants	593,730	1,190,000	596,270	As of March 31, all grant money has been received & distributed
Capacity Building Expenditures	593,730	1,190,000	596,270	
<b>Net Surplus (Deficit)</b>	<b>(102,080)</b>	<b>0</b>	<b>(102,080)</b>	

**ATTACHMENT #4**  
**In-Kind and Additional Funding Leveraged**  
**MCAEL FY18**

**MCAEL Operating Budget In-Kind Funding Summary**

<b>Type</b>	<b>Amount</b>	<b>Notes</b>
Volunteers	\$30,000	Includes among others: board, advisory groups, other events
County Stat Services	\$40,000 - 60,000	Estimate of hours from staff plus an approximation allocated to use of sophisticated software, etc.
Space	\$5,000 - \$10,000	Use of free conference and event space for network convenings, trainings, workshops and events
<b>TOTAL</b>	<b>\$75,000 - \$100,000</b>	

**MCAEL Grantees In-Kind Funding**

Program Grantees	\$623,846
Access Grantees	\$309,745
<b>TOTAL</b>	<b>\$933,591</b>

**MCAEL Grantees Additional Funding for ESOL Programs**

Program Grantees	\$1,426,533
Access Grantees	\$363,985
<b>TOTAL</b>	<b>\$1,790,518</b>



<b>Montgomery Coalition for Adult English Literacy, Inc.</b>	
<b>DRAFT FY 20 Budget</b>	
NOTE: Preliminary and placeholder #'s used	<b>FY 20 Budget</b>
<b>Revenue</b>	
Fundraising	120,000
MC Operating Grants	567,058
Interest Income	200
Prior Year Reserves Used	0
Memorial Scholarship Fund	2000
In Kind (see below, approx. 100,000)	
Other Revenue	2000
<b>Total Revenue</b>	<b>691,258</b>
<b>Expenses</b>	
Salary and Benefits	429,022
<b>Direct Expenses</b>	
Professional Development/Training for Instructors	9,500
Instructional Materials	1,600
Outcomes Project	4,500
Memorial Scholarship Fund/Awards	2,500
Technical Support	15,866
Supplies	2,000
Expansion Program Support and Development	12,000
<b>Subtotal Direct Expenses</b>	<b>47,966</b>
<b>Allocated Direct Expenses</b>	
Rent Expense	45,363
Bookkeeping Fees	4,000
Tech Plan/Database	10,000
Graphic Design	5,000
Meeting Expense	3,000
Postage	3,000
Printing and Copying	16,000
Professional Development	7,500
Travel	6,000
Contract Services	21,000
Subs, Pubs and Dues	2,750
<b>Subtotal Allocated Direct Expenses</b>	<b>123,613</b>
<b>Indirect Allocated</b>	
Legal	4,500
Auditor/Accounting	7,500
Computer	6,000
Repairs and Maintenance	2,750



Bank/Processing fees	2,100
Communications	13,000
Marketing	4,500
Insurance	4,500
Other	2,000
Depreciation and Amortization	
Reserves	
Spelling Bee Expenses	17,500
Grant writing	33,000
Subtotal Indirect Allocated	97,350
<b>Total Expenses</b>	<b>697,951</b>
<b>Surplus (Deficit)</b>	<b>-634</b>
MC Capacity Building Grants	1,190,000
Capacity Building Expenditures	1,190,000
<b>Net Surplus (Deficit)</b>	
<b>TOTAL MCAEL BUDGET FY 20</b>	<b>1,887,951</b>
<b>Total MCAEL Budget + In Kind</b>	<b>1,977,785</b>