

SUBJECT

- Montgomery County Public Schools FY21 Operating Budget (pages 1-3)
- Montgomery County Public Schools FY21 Capital Budget Follow-up: Technology Modernization (page 4)

EXPECTED ATTENDEES

Shebra Evans, President, Board of Education
 Dr. Jack Smith, Superintendent of Schools
 Dr. Monifa McKnight, Deputy Superintendent of Schools
 Essie McGuire, Associate Superintendent for Operations
 Dan Marella, Acting Chief Financial Officer, MCPS
 Nany Austin, Budget Manager, MCPS
 Rich Harris, Montgomery County Office of Management and Budget

EXECUTIVE RECOMMENDATION

	Total	Tax Supported	Non-Tax Supported	County Contribution
FY21 Board of Education Request	\$2,804,696,498	\$2,607,060,833	\$197,635,665	\$1,795,964,954
Increase (Decrease) from FY20	\$124,121,725 4.6%	\$92,746,296 3.7%	\$31,375,429 18.9%	\$69,157,713 4.0%
FY21 Executive Recommendation	\$2,795,508,595	\$2,603,672,930	\$191,835,665	\$1,792,577,051
Increase (Decrease) from FY20	\$114,933,822 4.3%	\$89,358,393 3.6%	\$25,575,429 15.4%	\$65,769,810 3.8%

COUNCIL STAFF RECOMMENDATION – CONTINUITY OF SERVICES BUDGET

	Total	Tax Supported	Non-Tax Supported	County Contribution
FY21 Council Staff Recommendation	\$2,755,507,059	\$2,562,357,999	\$193,149,060	\$1,751,862,120
Increase (Decrease) from FY20	\$74,932,286 2.8%	\$48,043,462 1.9%	\$26,888,824 16.2%	\$25,054,879 1.5%
Increase (Decrease) from CE FY21 Rec.	(\$40,001,536) (1.4%)	(\$41,314,931) (1.6%)	\$1,313,395 0.7%	(\$40,714,931) (2.3%)

EXECUTIVE RECOMMENDED ITEMS NOT INCLUDED IN CONTINUITY OF SERVICES

- The Executive’s budget included \$40.7 million in County funding above the required Maintenance of Effort (MOE) level for MCPS. The Executive’s proposal includes a 3.18 cent “supplementary school funding property tax” increase. This would result in revenues exceeding the inflation rate threshold established in Section 305 of the County Charter.

CONTINUITY OF SERVICES FROM FY20

- County contribution funded at the minimum Maintenance of Effort (MOE) level, which is an increase of \$25,054,879 from the FY20 County contribution based on enrollment increases.
- The budget includes State Aid of \$798.3 million, an increase of \$38.4 million from FY20. Most of the State Aid increase, \$35.4 million, is from the Foundation program and \$3.0 million is from the Blueprint for Maryland’s Future legislation. In total, MCPS will receive \$27.4 million in Blueprint funding in FY21 (\$11.5 million in direct State Aid that is accounted for in the tax supported fund, and \$15.9 million that is accounted for in the non-tax supported Grant Fund).
- Non-tax supported funds increase by \$26.9 million over FY20 and include two adjustments since the Board’s request:
 - A reduction of \$5.8 million to reflect the updated school bus safety camera revenue sharing agreement. This reduction was included in the Executive’s recommendation.
 - A net increase of \$1,313,395 for the Federal IDEA and Infants and Toddlers grants. MCPS is requesting this adjustment based on updated grant award notices received after publication of the Executive’s budget.
- Tax supported funds include technical adjustments requested by MCOS to reduce non-local revenue by \$600,000 to reflect updated information since the Executive’s recommendation.
- A continuity of services budget at MOE will require the Board of Education to make substantial reductions and changes to its proposed FY21 budget. On April 30, the Board President and Superintendent sent a letter to the Council President (©30) acknowledging the tremendous fiscal uncertainty resulting from the COVID-19 global health pandemic, and outlining the following MCPS commitments:
 - Using funding to maintain the operational and instructional infrastructure of the school system, maintaining the focus on excellence and equity as inherently interrelated elements of a strong school system.
 - Implementing systems to support the continued focus on re-entry and the norming of school processes and to address the social emotional needs of students and staff impacted post an unexpected worldwide health pandemic.
 - Using local, state, and federal funds to create a Pre-K-12 learning recovery system that could begin in early July if school buildings are open and available for students and educators.
 - Using local, state, and federal funds to create a technology infrastructure that ensures that both digital tools and connectivity are available to each MCPS student as a part of their enrollment in the school system.

OTHER INFORMATION

- CARES Act.** MCPS anticipates receiving approximately \$23 million in Federal funding from the CARES Act. As with the County Government’s CARES Act funding, MCPS is awaiting guidance on when those funds will arrive, cost eligibility for reimbursement, etc.
- FY20 Expenditures.** MCPS is continuing to monitor actual changes to expenditures in FY20 due to the closure of all school facilities, transitioning to remote learning, standing up a meal distribution program, etc. MCPS’ most recent monthly financial report, presented to the Board of Education on April 21, shows a projected year-end fund balance of \$29.9 million - \$4.9 million higher than the \$25.0 million included in the Board’s request for reappropriation in FY21. However, this financial data is from February, prior to the onset of the COVID-19 pandemic.
- Related County Support.** The Executive’s recommended FY21 budget includes \$325.3 million in additional County support for the school system above the MCPS local appropriation. This amount exceeds the FY21 recommended tax supported budgets of the largest County departments. Support services include programs funded in the Department of Health and Human Services budget (School Health Services, Linkages to Learning, etc.) and Police Department (School Resource Officers and Crossing Guards). These costs may change slightly as part of the Council’s continuity of services budget framework.

Additional FY21 County Support for MCPS	Amount
Debt service on school construction	\$156.7 million
Pre-funding retiree health benefits	\$69.4 million
Support Services	\$86.1 million
Technology Modernization	\$13.2 million
Total	\$325.3 million

- Revenue Summary.** The table below shows the FY21 Board of Education Request, County Executive Recommendation, and Council Staff Recommendation by funding source.

Source	FY21 BOE Request		FY21 CE Rec.		FY21 Council Staff Rec.	
	\$	%	\$	%	\$	%
County	1,795,964,954	64.0%	1,792,577,051	64.1%	1,751,862,120	63.6%
Fund Balance	25,000,000	0.9%	25,000,000	0.9%	25,000,000	0.9%
State	798,279,622	28.5%	798,279,622	28.6%	798,259,622	29.0%
Federal	82,522,794	2.9%	82,522,794	3.0%	83,806,189	3.0%
Other Sources	14,431,204	0.5%	14,431,204	0.5%	13,881,204	0.5%
Enterprise Funds	86,728,149	3.1%	80,928,149	2.9%	80,928,149	2.9%
Special Funds	1,769,775	0.1%	1,769,775	0.1%	1,769,775	0.1%
Grand Total	2,804,696,498	100%	2,795,508,595	100%	2,755,507,059	100%
Tax-Supported Total	2,607,060,833		2,603,672,930		2,562,357,999	

- Pay Adjustments.** Last fall, the Board of Education entered into contract negotiations with its employee bargaining units. As of the writing of this memorandum, the Board had not completed negotiations with any of its bargaining units.

CIP FOLLOW-UP: TECHNOLOGY MODERNIZATION

Each year, the Council reviews MCPS' Technology Modernization CIP project during its operating budget deliberations since the project is primarily funded by current revenue. The Executive's recommended FY21-FY26 CIP funds this project at the same level as requested by the Board as shown in the table below. The Executive did shift funding sources in FY21, moving an additional \$5.694 million from current revenue to recordation tax funding (©28).

Tech Mod Project	6-Year Total	FY21	FY22	FY23	FY24	FY25	FY26
BOE Request and CE Recommendation	154,037	25,284	25,143	26,746	26,664	25,000	25,000

However, the Executive also recommends a total of \$4.616 million in total current revenue reductions to the MCPS CIP (\$3.62 million in FY21 and \$1.0 million in FY22). Technology Modernization is the only MCPS capital project with substantial current revenue funding, and as a result would be the source of any reduction.

Council staff recommends the following actions in addressing the Executive's current revenue reductions:

- 1) **Accept the \$1.0 million in FY22 current revenue reductions.** The Council will have the opportunity to revisit this reduction as part of the FY22 budget process.
- 2) **Assume \$1.2 million in FY21 federal e-rate reimbursement to partially offset the Executive's reduction and lower the FY21 funding gap to \$2.416 million.** E-rate Federal reimbursement funding is another resource for the Technology Modernization project that is appropriated each year by the Council as a supplemental appropriation once the funding amount is known. The FY20 e-rate reimbursement amount will be about \$1.2 million, and the Board is tentatively scheduled to act on a supplemental appropriation request on May 28. As in past years, staff recommends that the Council assume that MCPS will receive \$1.2 million in e-rate reimbursement in FY21 and plan to appropriate that funding to Tech Mod.
- 3) **To address the remaining \$2.416 million in proposed FY21 reductions, consider the following options:**
 - Reduce FY21 current revenue in the Tech Mod project by the full \$2.416 million, which would lower the total FY21 funding to \$22.868 million.
 - Restoring one-half of the funding cut (\$1.2 million) for consideration during CIP reconciliation. Given funding constraints, however, this will likely require reductions to be taken elsewhere.
 - In either scenario, return to this issue in early FY21 to consider a potential supplemental appropriation once the Council and MCPS know more about the fiscal situation, the status of MCPS facilities, and the plans for instruction during the 2020-2021 school year.

This report contains:

County Executive FY21 Operating Budget Recommendation: MCPS	©1-7
Board of Education FY21 Operating Budget Request	©8-27
County Executive Recommended Technology Modernization PDF	©28-29
April 30, 2019 Letter from Board President and Superintendent to Council President	©30-31

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Montgomery County Public Schools

RECOMMENDED FY21 BUDGET

\$2,795,508,595

FULL TIME EQUIVALENTS

23,476.79

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 2019-2020 school year (FY20), 165,267 students in prekindergarten classes through Grade 12 attend 208 separate public educational facilities. For the 2020-21 school year (FY21), enrollment is estimated to be 167,041 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 FY21 budget is \$2,795.5 million, an increase of \$114.9 million, or 4.3 percent over the original FY20 approved budget of \$2,680.6 million, and this recommended budget exceeds the amount required by the State's Maintenance of Effort law by \$39.1 million. MOE for FY21 is \$26.6 million.

This budget assumes State Aid as recommended in the Governor's Budget; it does not include any additional State Aid from legislation before the General Assembly based on the Kirwan Commission recommendations (the increases called for in the Kirwan legislation begin in FY22). The final outcome in the State budget may have an impact on the level of County funding needed in MCPS's budget, however.

This budget also assumes a new \$0.0318 supplementary school funding property tax, authorized under State Law (§5-104 of the Education Article). State Law permits counties to increase a property tax rate above a limit imposed by a charter if the charter's maximum allowed rate is insufficient to fund the jurisdiction's schools. All revenue generated under a supplementary school funding property tax must be earmarked for schools and may not supplant local appropriations, two restrictions with which the County Executive's budget complies.

The County Executive's recommendation funds 99.7 percent of the Board of Education's (BOE) request. The County Executive and the Superintendent have and will continue to work collaboratively to discuss how reductions could be made to minimize the impact on students.

In addition to funding in the MCPS budget, \$27.2 million will be provided by the County from the Consolidated Retiree Health Benefits Trust for the purpose of paying retiree health claims in FY21.

The County also supports operations of the school system through expenditures in other budgets. 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 budget;
- 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 available by Community Use of Public Facilities; and
- the Maryland-National Capital Park and Planning Commission provides maintenance of MCPS ballfields.

In addition, to the total recommended in the Operating Budget for the public schools, MCPS's Capital Improvement Program (CIP) requires County funding. Approximately \$23.1 million in FY21 Current Revenue: General and \$68.4 million in Recordation Tax are recommended in the FY21-26 CIP. The debt service requirement for the MCPS capital program is estimated at \$156.7 million in FY21.

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

Additional County Support for MCPS in FY21	
MCPS Budget (in millions)	\$2,795.5
Additional County funding (not included in MCPS budget)	
• Debt service on school construction bonds	\$156.7
• Pre-funding retiree health benefits	\$69.4
• Support services	\$86.1
• Technology modernization	\$13.2
Total additional County funding	\$325.3
Total expenditures for MCPS	\$3,120.8
Sources: Approved FY21 Operating and Capital Budgets	

The recommended budget includes the County's contribution of \$1,792.6 million plus \$25.0 million in carryover funds (65.0 percent of all recommended funding); State Aid and grants of \$798.3 million (28.6 percent); Federal grants and aid of \$82.5 million (3.0 percent); and tuition, fees, and private grants of \$14.4 million (0.5 percent). The recommended appropriation for the fee supported enterprise funds is \$80.9 million (2.9 percent) and for the special revenue fund is \$1.8 million (0.1 percent).

Tax Supported Funding for the Public Schools

For FY21, the total tax-supported portion of the County Executive's recommendation (excluding grants, enterprise funds, and special revenue funds) is \$2,603.7 million, an increase of \$89.4 million or 3.6 percent over the FY20 Approved Operating Budget. The tax-supported portion of the recommendation includes a FY21 local contribution of \$1,792.6 million, plus carryover of \$25.0 million for a total local contribution of \$1,817.6 million. Maintenance of Effort (MOE) is a State requirement that each jurisdiction must spend at least as much per-student on its local school district as it did in the prior fiscal year in order to receive additional State Aid. The County Executive's recommendation for local funding meets the MOE requirement and represents a total increase of \$65.8 million from the FY20 local contribution. For FY21, the minimum MOE is an increase of \$26.6 million.

Fiscal Summary

The County Executive's total budget recommendation from all funding sources is \$2,795.5 million and funds 99.7 percent of the Board of Education's (BOE) request. The County Executive relies on the BOE to determine the most appropriate manner to deliver educational services within its recommended budget allocation.

Spending Affordability

In February 2020, the Montgomery County Council approved FY21 Spending Affordability Guidelines (SAG) of \$2,515.6 million for the tax-supported funds of MCPS. The BOE requested \$2,607.1 million in tax supported funds, \$91.5 million above the SAG guideline. The County Executive's recommendation is \$88.1 million above the SAG guideline.

Additional Budget Details

The County Executive affirms the authority of the BOE to establish educational policy and 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 FY21 operating budget adopted by the BOE on February 10, 2020. Copies of that budget are available at Montgomery County libraries, on the MCPS website, and upon request from the school system.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following is emphasized:

 **Thriving Youth and Families**

PROGRAM CONTACTS

Contact Daniel K. Marella of the Montgomery County Public Schools at 240.740.3030 or Richard H. Harris of the Office of Management and Budget at 240.777.2795 for more information regarding this agency's operating budget.

BUDGET SUMMARY

	Actual FY19	Budget FY20	Estimate FY20	Recommended FY21	%Chg Bud/Rec
CURRENT FUND MCPS					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Current Fund MCPS Personnel Costs	0	0	0	0	—
Operating Expenses	2,445,797,079	2,514,314,537	2,480,816,000	2,603,672,930	3.6 %
Current Fund MCPS Expenditures	2,445,797,079	2,514,314,537	2,480,816,000	2,603,672,930	3.6 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—

BUDGET SUMMARY

	Actual FY19	Budget FY20	Estimate FY20	Recommended FY21	%Chg Bud/Rec
FTEs	21,254.35	21,649.85	21,649.85	22,257.28	2.8 %
REVENUES					
Basic State Aid	351,744,825	368,197,235	368,197,235	388,035,631	5.4 %
Federal Revenues	185,340	100,000	100,000	150,000	50.0 %
Foster Care/Miscellaneous	195,830	200,000	200,000	200,000	—
GCEI - Geographic Cost of Education Index	37,711,769	38,902,207	38,902,207	39,976,914	2.8 %
Kirwan Commission	0	24,424,464	10,482,238	11,472,106	-53.0 %
Students With Disabilities	58,575,874	60,956,743	60,956,743	63,704,962	4.5 %
Thornton Legislation	215,185,348	219,907,148	219,907,148	230,529,919	4.8 %
Transportation	43,241,528	46,449,499	46,449,499	47,626,347	2.5 %
Tuition-Other Sources	5,357,488	3,370,000	3,370,000	4,400,000	30.6 %
Current Fund MCPS Revenues	712,198,002	762,507,296	748,565,070	786,095,879	3.1 %
GRANT FUND MCPS					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund MCPS Personnel Costs	0	0	0	0	—
Operating Expenses	85,160,492	89,498,471	103,440,697	109,137,741	21.9 %
Grant Fund MCPS Expenditures	85,160,492	89,498,471	103,440,697	109,137,741	21.9 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	557.59	570.94	570.94	570.94	—
REVENUES					
Federal Grants	80,069,774	79,558,409	79,558,409	82,372,794	3.5 %
Private Grants	576,965	6,731,204	6,731,204	10,031,204	49.0 %
State Grants	4,513,753	3,208,858	17,151,084	16,733,743	421.5 %
Grant Fund MCPS Revenues	85,160,492	89,498,471	103,440,697	109,137,741	21.9 %
FOOD SERVICE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Food Service Fund Personnel Costs	0	0	0	0	—
Operating Expenses	60,564,324	58,107,965	58,107,965	60,399,980	3.9 %
Food Service Fund Expenditures	60,564,324	58,107,965	58,107,965	60,399,980	3.9 %
PERSONNEL					
Full-Time	0	0	0	0	—

BUDGET SUMMARY

	Actual FY19	Budget FY20	Estimate FY20	Recommended FY21	%Chg Bud/Rec
Part-Time	0	0	0	0	—
FTEs	598.32	604.32	604.32	607.57	0.5 %
REVENUES					
Federal Food	41,622,040	38,276,538	38,276,538	40,852,540	6.7 %
Miscellaneous: Investment Income	20,773	0	0	0	—
Sale of Meals	17,896,527	17,588,383	17,588,383	17,586,048	—
State Food	1,998,337	2,243,044	2,243,044	1,961,392	-12.6 %
Food Service Fund Revenues	61,537,677	58,107,965	58,107,965	60,399,980	3.9 %

REAL ESTATE FUND

EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Real Estate Fund Personnel Costs	0	0	0	0	—
Operating Expenses	3,651,111	3,966,407	3,966,407	4,967,149	25.2 %
Real Estate Fund Expenditures	3,651,111	3,966,407	3,966,407	4,967,149	25.2 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	12.00	12.00	12.00	11.00	-8.3 %

REVENUES

Real Estate Fund	3,327,588	3,966,407	3,966,407	4,967,149	25.2 %
Real Estate Fund Revenues	3,327,588	3,966,407	3,966,407	4,967,149	25.2 %

FIELD TRIP FUND

EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Field Trip Fund Personnel Costs	0	0	0	0	—
Operating Expenses	2,308,586	2,736,949	2,736,949	2,914,182	6.5 %
Field Trip Fund Expenditures	2,308,586	2,736,949	2,736,949	2,914,182	6.5 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	4.50	4.50	4.50	4.50	—

REVENUES

Field Trip Fees	2,175,575	2,736,949	2,736,949	2,914,182	6.5 %
Field Trip Fund Revenues	2,175,575	2,736,949	2,736,949	2,914,182	6.5 %

BUDGET SUMMARY

	Actual FY19	Budget FY20	Estimate FY20	Recommended FY21	%Chg Bud/Rec
ENTREPRENEURIAL ACTIVITIES FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Entrepreneurial Activities Fund Personnel Costs	0	0	0	0	—
Operating Expenses	13,264,774	10,150,669	12,350,669	12,646,838	24.6 %
Entrepreneurial Activities Fund Expenditures	13,264,774	10,150,669	12,350,669	12,646,838	24.6 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	12.00	12.00	12.00	12.00	—
REVENUES					
Entrepreneurial Activities Fee	735,515	2,150,669	2,150,669	2,446,838	13.8 %
Entrepreneurial Activities Fund Revenues	735,515	2,150,669	2,150,669	2,446,838	13.8 %
INSTRUCTIONAL TELEVISION FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Instructional Television Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,740,127	1,799,775	1,799,775	1,769,775	-1.7 %
Instructional Television Fund Expenditures	1,740,127	1,799,775	1,799,775	1,769,775	-1.7 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	13.50	13.50	13.50	13.50	—
REVENUES					
DEPARTMENT TOTALS					
Total Expenditures	2,612,486,493	2,680,574,773	2,663,218,462	2,795,508,595	4.3 %
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total FTEs	22,452.26	22,867.11	22,867.11	23,476.79	2.7 %
Total Revenues	865,134,849	918,967,757	918,967,757	965,961,769	5.1 %

MCPs BUDGETS FY95-FY21

County Fiscal Year	Total Budget	Budgeted Enrollment	Per Pupil	County Funding	As Percent of Total
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	\$1,475,223,045	66.3%
15	\$2,276,763,984	153,852	\$14,798	\$1,515,027,760	66.5%
16	\$2,318,388,936	156,447	\$14,819	\$1,540,794,230	66.5%
17	\$2,457,473,761	159,016	\$15,454	\$1,650,794,230	67.2%
18	\$2,528,825,122	161,470	\$15,661	\$1,683,943,316	66.6%
19	\$2,612,644,776	163,294	\$16,000	\$1,712,627,645	65.6%
20	\$2,680,574,773	164,477	\$16,298	\$1,726,807,241	64.4%
21 CE Rec	\$2,789,081,933	166,317	\$16,770	\$1,786,150,389	64.0%

Sources: Approved Operating Budgets and CE Recommended Budget



MONTGOMERY COUNTY BOARD OF EDUCATION

Expanding Opportunity and Unleashing Potential

850 Hungerford Drive ♦ Room 123 ♦ Rockville, Maryland 20850

February 28, 2020

The Honorable Marc Elrich, County Executive
Executive Office Building
101 Monroe Street, 2nd Floor
Rockville, Maryland 20850

The Honorable Sidney A. Katz, President,
and Members of the Montgomery County Council
Stella B. Werner Council Office Building
100 Maryland Avenue, 6th Floor
Rockville, Maryland 20850

Dear Mr. Elrich, Mr. Katz, and Councilmembers:

I am pleased to submit the Montgomery County Board of Education's Fiscal Year (FY) 2021 Operating Budget Request for Montgomery County Public Schools (MCPS). It is a result of the internal and external feedback coupled with extensive analysis of our programs and our outcomes.

The Board of Education is requesting an operating budget of \$2,804,696,498 for MCPS for FY 2021. This is an increase of \$124,121,725, or 4.6 percent, compared to the current FY 2020 operating budget. This budget continues our focus on students, classrooms, and schools. The increase is needed to fund the same level of services for a growing number of students enrolled in MCPS, rising costs, and strategic accelerators to intensify efforts to address disparities in student outcomes by closing gaps in opportunity and achievement for all students.

The MCPS tax-supported operating budget (excluding grants and enterprise funds) for FY 2021 is \$2,607,060,833, an increase of \$106,688,522, or 4.3 percent, compared to the current FY 2020 tax-supported budget. This budget assumes Montgomery County will continue to fund \$27,200,000 of MCPS retiree health benefits costs from the county's Consolidated Other Post-employment Benefits Trust Fund.

State law requires the county to provide, at a minimum, \$25,054,482 in increased funding for MCPS based on the Maintenance of Effort law to account for student enrollment growth. However, the need is greater in FY 2021, and the Board's budget request seeks \$44,103,231 more than the minimum funding level required by the state law. This additional investment is essential if we are to maintain the quality of our school system and address the much needed work to improve the educational outcomes for all MCPS students.

Phone 240-740-3030 ♦ Fax 301-279-3860 ♦ boe@mcpsmd.org ♦ www.montgomeryschoolsmd.org

Governor Lawrence J. Hogan's FY 2021 budget submitted to the Maryland General Assembly on January 15, 2020, reflected a total of \$798,279,622 in state aid for MCPS. This is an increase of \$38,441,473 in all combined state aid categories compared to FY 2020. The Governor's budget increased the state's K–12 education funding by \$230.0 million, or 3.7 percent compared to the previous year's budget. In addition, more than \$300.0 million was included in support of *The Blueprint for Maryland's Future* legislation. The total funding for MCPS related to this legislation is \$27,404,996, an increase of \$2,980,532 compared to FY 2020. Our eligible enrollment increase of 2,437.25 Full-time Equivalent (FTE) students in the 2019–2020 school year used to calculate state aid in FY 2021 was the second largest in the state and represented 21.8 percent of the statewide increase.

This FY 2021 operating budget also assumes that it will be partially funded by end-of-year MCPS fund balance. The amount projected to be available to fund the FY 2021 budget is \$25,000,000. This is the same amount used to fund the FY 2020 budget.

In order to manage our anticipated student enrollment growth in FY 2021, the budget adds 346.379 FTE positions and \$26,036,813. We are projecting student enrollment increases at the elementary, middle, and high school levels unlike a year ago when we projected a decrease in elementary school enrollment.

The Board's budget includes targeted, strategic accelerators for key bodies of work totaling 150.263 FTE positions and \$23,668,538. Highlights of the strategic accelerators include resources for the following: (1) expansion of full-day prekindergarten programs; (2) investments in special education including early learning; (3) additional teachers to support the expanding needs of our English for Speakers of Other Languages student population; (4) continuing our elementary and middle school curriculum implementation efforts; (5) launching an Equity and Innovation Fund including the planning for Community Schools in MCPS; (6) expanding our Restorative Justice Program; (7) providing additional support for science, technology, engineering, and mathematics programming, including computer coding; (8) student transportation costs related to Finance Park and similar programs; (9) additional assistant principals at our more highly impacted middle and high schools; and (10) adding more school security staffing. At the same time, we closely reviewed the MCPS operating budget and identified reductions, totaling 3.0 FTE positions and \$5,404,221 in FY 2021.

As in the past, this FY 2021 operating budget request was developed through a variety of collaborations. The Board held two public hearings on January 13 and 15, 2020, and heard testimony from nearly 80 individuals. The Board held two work sessions on the budget on January 22 and 28, 2020. Board members spent a great number of hours analyzing the budget and submitted a number of formal questions to MCPS staff that eventually led to the Board's tentatively adopted budget request on February 10, 2020.

The Honorable Marc Elrich
The Honorable Sidney A. Katz and
Members of the County Council

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February 28, 2020

The top priority of this budget continues to be maintaining the high levels of achievement for many of our students and, at the same time, eliminating those opportunity gaps that most heavily impact our Black or African American students, our Hispanic/Latino students, children who live in poverty, English Language Learners, and our students who receive Individualized Education Program services. This budget advances equity and excellence for all students in MCPS. We are continuing to make progress toward eliminating disparities in academic achievement. We believe this FY 2021 operating budget will help us accelerate this progress. The Board of Education looks forward to working with you in the coming weeks and months to fund an operating budget for MCPS for FY 2021 that meets the needs of all our students.

Sincerely,



Shebra L. Evans
President

SLE:JRS:DKM:tpk

Enclosure

MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

February 10, 2020

MEMORANDUM

To: Members of the Board of Education

From: Shebra L. Evans, President 

Subject: Tentative Adoption of the Superintendent's Recommended Fiscal Year 2021 Operating Budget

After hearing from the community and review of the information provided by staff, Board members have shared their belief that amendments should be added to the Superintendent's Recommended Fiscal Year (FY) 2021 Operating Budget as amended. The additions are for 3.0 Full-time Equivalent (FTE) counselor positions, the restoration of 3.0 FTE learning and academic instructional specialist positions, and 1.0 FTE staffing specialist position. Therefore, on behalf of Board members, I offer the following resolution as an amendment to the Superintendent's Recommended FY 2021 Operating Budget as amended.

WHEREAS, On December 18, 2019, the superintendent of schools presented the Recommended Fiscal Year 2021 Operating Budget of \$2,801,694,031 to the Board of Education; and

WHEREAS, On February 10, 2020, the superintendent of schools presented the Recommended Fiscal Year 2021 Operating Budget as amended of \$2,803,684,695; and

WHEREAS, The Board of Education reviewed the budget and supports the Superintendent's Recommended Fiscal Year 2021 Operating Budget as amended which includes funding for continued enrollment growth, increases in the cost of goods and services, funding to plan for the requirements of ongoing negotiations with the three employee associations on new contracts to be effective July 1, 2020, and strategic accelerators to close opportunity gaps and improve academic excellence for all students; and

WHEREAS, the Board of Education fully supports the recommended budget as amended by the superintendent of schools presented on February 10, 2020, but believes additional resources are needed for counselors, learning and academic instructional specialists, and a staffing specialist in the Office of Human Resources and Development; now therefore be it

Resolved, That the Board of Education amends the Superintendent's Recommended Fiscal Year 2021 Operating Budget as amended by adding 3.0 Full-time Equivalent counselor positions,

3.0 Full-time Equivalent learning and academic instructional specialist positions, and 1.0 Full-time Equivalent staffing specialist position in the Office of Human Resources and Development for a total of \$1,011,803 as outlined in the following categories which includes \$787,779 for salaries and \$224,024 for related employee benefits.

Category	Superintendent's Recommended FY 2021 Operating Budget	Superintendent's Amended FY 2021 Operating Budget	Board Amendment to the FY 2021 Operating Budget as Amended	Board's Tentatively Adopted FY 2021 Operating Budget
1 Administration	\$59,940,194	\$60,693,156	\$91,905	\$60,785,061
2 Mid-level Administration	157,093,721	161,983,562	-	161,983,562
3 Instructional Salaries	1,121,307,513	1,101,887,382	695,874	1,102,583,256
4 Textbooks and Instructional Supplies	35,269,146	35,269,146	-	35,269,146
5 Other Instructional Costs	22,219,380	22,219,380	-	22,219,380
6 Special Education	372,735,471	381,137,927	-	381,137,927
7 Student Personnel Services	14,842,871	15,796,734	-	15,796,734
8 Health Services	1,192,328	2,383,056	-	2,383,056
9 Student Transportation	118,550,582	120,711,284	-	120,711,284
10 Operation of Plant and Equipment	147,180,285	149,597,575	-	149,597,575
11 Maintenance of Plant	42,407,177	43,089,669	-	43,089,669
12 Fixed Charges	619,474,710	619,422,679	224,024	619,646,703
14 Community Services	982,729	995,221	-	995,221
37 MCPS Television Special Revenue Fund	1,769,775	1,769,775	-	1,769,775
51 Real Estate Fund	4,936,407	4,967,149	-	4,967,149
61 Food Service Fund	59,097,265	60,399,980	-	60,399,980
71 Field Trip Fund	2,896,949	2,914,182	-	2,914,182
81 Entrepreneurial Activities	19,797,528	18,446,838	-	18,446,838
Total	\$2,801,694,031	\$2,803,684,695	\$1,011,803	\$2,804,696,498

SLE:JRS:DKM:tpk

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 10, 2020

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools 

Subject: Tentative Adoption of the Superintendent's Recommended Fiscal Year 2021 Operating Budget

Executive Summary

On January 13 and January 15, 2020, the Board of Education held public hearings on the Superintendent's Recommended Fiscal Year (FY) 2021 Operating Budget. In addition, on January 22 and January 28, 2020, the Board held work sessions on the budget. Today, I am submitting to the Board my amended Recommended FY 2021 Operating Budget totaling \$2,803,684,695 for Montgomery County Public Schools (MCPS). This is an increase of \$123,109,922, or 4.6 percent, compared to the current FY 2020 budget. The FY 2021 tax-supported budget (excluding grants and enterprise funds) is \$2,606,049,030, an increase of \$105,676,719 or 4.2 percent compared to the current FY 2020 tax-supported budget. The amended budget of \$2,803,684,695 is an increase of \$1,990,664 compared to the \$2,801,694,031 that I recommended to the Board on December 18, 2019.

This revision to my Recommended FY 2021 Operating Budget includes revenue adjustments of \$1,990,664 compared to what was included in my December 18, 2019 initial recommendation. This reflects the \$3,065,632 of additional state aid included in the FY 2021 budget for MCPS that Governor Lawrence J. Hogan, Jr. presented on January 15, 2020, to the General Assembly. The Governor increased the state's overall K-12 education budget by \$230.0 million, or 3.7 percent. Furthermore, the Governor's budget proposes more than \$300 million statewide in support of *The Blueprint for Maryland's Future* legislation. Based on the additional state aid as well as expenditure adjustments summarized in the following chart, the amount of local contribution for the FY 2021 Operating Budget that is more than the minimum level required by the Maintenance of Effort (MOE) law can be reduced by \$4,131,959. As a result, the revised amount this budget exceeds MOE is \$43,091,428.

On the expenditure side of the budget, my amended FY 2020 Operating Budget reflects a net increase of \$1,990,664 in funding and 13.050 Full-time Equivalent (FTE) positions that have been added to the plan for our key bodies of work and for other adjustments in the budget.

Following is a summary chart that reflects the revisions to the Recommended FY 2021 Operating Budget.

Montgomery County Public Schools
FY 2021 Operating Budget

	FY 2020 <u>Current Budget</u>	FY 2021 <u>Recmd. Budget</u>	FY 2021 <u>Amended Budget</u>	FY 2021 Changes from <u>FY 2020</u>
Total Expenditures	\$2,680,574,773	\$2,801,694,031	\$2,803,684,695	\$123,109,922
Local Revenue	1,726,807,241	1,799,008,651	1,794,953,151	68,145,910
State Revenue	759,838,149	792,233,458	798,279,622	38,441,473
Fund Balance	25,000,000	25,000,000	25,000,000	-
Fed/Other Revenue	<u>168,929,383</u>	<u>185,451,922</u>	<u>185,451,922</u>	<u>16,522,539</u>
Total Revenue	\$2,680,574,773	\$2,801,694,031	\$2,803,684,695	\$123,109,922

The details of the revisions to the Recommended FY 2021 Operating Budget submitted to the Board on December 18, 2019, follow.

Revenue

State Revenue

On Wednesday, January 15, 2020, Governor Larry Hogan submitted his FY 2021 budget to the Maryland General Assembly. Based on the Governor's FY 2021 budget, a total of \$798,279,622 in state revenue is anticipated for MCPS in FY 2021. My recommended FY 2021 budget had included an estimate of \$792,233,458 in state revenue, an overall increase of \$32,395,309 more than FY 2020 including programs directly funded through restricted grants. The Governor's FY 2021 budget provides MCPS a total increase of \$38,441,473 (5.1 percent) for FY 2021, or \$6,046,164 more than my recommended FY 2021 budget. The budget also reflects funding related to *The Blueprint for Maryland's Future* legislation.

The following is a summary of the major state revenue amounts by category of aid for MCPS:

Foundation Grant: The Governor's FY 2021 budget provides \$388,035,631, an increase of \$19,838,396 (5.4 percent) more than FY 2020, for the Foundation Grant,

which is distributed on the basis of enrollment and wealth. The Foundation Grant is the largest source of state aid.

Geographic Cost of Education Index (GCEI): The Governor's FY 2021 budget provides \$39,976,914 for GCEI, an increase of \$1,074,707 (2.8 percent) more than FY 2020.

Limited English Proficiency (LEP): The Governor's FY 2021 budget provides \$81,960,239, an increase of \$5,113,693 (6.7 percent) compared to FY 2020, to support LEP students.

Compensatory Education: The Governor's FY 2021 budget provides \$148,569,680, an increase of \$5,509,078 (3.9 percent) more than FY 2020, in compensatory education revenue directed to the education of students who are economically disadvantaged. The *Bridge to Excellence in Public Schools Act of 2002* directs this aid according to the number of students eligible to receive Free and Reduced-price Meals System services.

Students with Disabilities-Formula: The Governor's FY 2021 budget provides \$44,502,835, an increase of \$1,991,603 (4.7 percent) more than FY 2020, to support students with disabilities.

Students with Disabilities-Reimbursement: Working with the Office of Special Education, my recommended FY 2021 budget included estimated revenue totaling \$19,202,127, an increase of \$756,616 (4.1 percent) more than FY 2020. This is for funding that MCPS receives from the state for supporting students placed in nonpublic special education schools.

Transportation: The Governor's FY 2021 budget provides \$47,626,347, an increase of \$1,176,848 (2.5 percent) more than FY 2020, for the transportation of students to and from school as a well as aid for transporting students with disabilities.

The Blueprint for Maryland's Future: The Governor's FY 2021 budget includes \$11,472,106 in unrestricted aid in support of *The Blueprint for Maryland's Future* legislation. This is \$989,868 more than the amount included in the FY 2021 Superintendent's Recommended Operating Budget. In addition, the Governor's budget included \$15,932,890 for directed grants related to *The Blueprint for Maryland's Future* legislation. This is an increase of \$1,990,664 compared to the amount in the FY 2021 Superintendent's Recommended Operating Budget. Several of the amounts in the Governor's budget for this legislation differ than the recommendations from the Kirwan Commission.

Our eligible enrollment increase of 2,437.25 FTE students was 21.8 percent of the statewide increase of 11,195.75 FTE students. In comparison, our enrollment and the state's enrollment grew by fewer students last year, but our growth was 42.1 percent of the statewide increase.

Local Revenue

Based on revenue and expenditure adjustments previously highlighted, a decrease of \$4,055,500 in the local contribution is reflected in this amended budget compared to the December 2019 budget recommendation. The total amount for FY 2021 from local revenue is \$1,794,953,151, an increase of \$68,145,910 compared to FY 2020. The amount of increased local funding for FY 2021 based only on MOE is \$25,054,482.

MCPS Fund Balance

The FY 2021 Operating Budget that I recommended to the Board in December 2019 reflected funding \$25,000,000 of the budget from the MCPS end-of-year fund balance. We continue to include this amount of funding from FY 2020 to fund the FY 2021 Operating Budget.

Expenditure Adjustments*Adjustments to the Plan for Key Bodies of Work*

Subsequent to the submission of my recommended FY 2021 Operating Budget, and following the public hearings with the Board and the two budget work sessions held in January 2020, I am amending the budget to include \$1,119,660 and 13.8 FTE positions for changes related to our key bodies of work. This includes the following changes.

- To support our Learning, Accountability, and Results strategy, an increase of \$904,719 and 11.8 FTE positions are included:
 - \$427,854 and 6.2 FTE teacher positions at Seneca Valley and Wheaton high schools, and Thomas Edison High School for Technology for new career technical application programs in the areas of plumbing, carpentry, and heating, ventilation, and air conditioning;
 - \$156,235 and 1.0 FTE instructional specialist position for compliance work in our athletics office;
 - \$82,811 and 1.2 FTE teacher positions at John F. Kennedy and Seneca Valley high schools for Middle Years Programme (MYP) coordination for alignment with other MYP schools;
 - \$55,207 and a 0.800 FTE teacher position for the Middle College Special Program at Northwest and Northwood high schools; and
 - \$182,612 and 2.6 FTE positions for the Rockville High School International Baccalaureate Career Regional Program.

- To support our Operational Excellence strategy, an increase of \$214,941 and 2.0 FTE positions are included:
 - \$141,811 for a 1.0 coordinator FTE position in the Office of Special Education;
 - and

- \$73,130 for a 1.0 administrative services manager I position in the Office of the Deputy Superintendent.

Adjustments for Projected Enrollment Changes

When the recommended operating budget is developed each year, we build in resource changes for enrollment based on a school by school review of each school's projected enrollment changes. Subsequent to the submission of my December 2019 Operating Budget recommendations, we have updated the enrollment estimates. As a result, it is necessary to add a net increase of \$322,525 and 2.250 FTE positions for these enrollment adjustments. This includes \$141,811 and 1.0 FTE assistant school administrator position and 1.0 FTE middle school assistant principal position based on new school by school enrollment projections.

Changes to the Budget for Other Adjustments

Technical adjustments totaling net decreases of 3.0 FTE positions and \$200,221 are included for organizational changes in the FY 2021 Operating Budget.

Reductions that Offset other Amendments in the Recommended FY 2021 Operating Budget

House Bill 486, new legislation passed by the Maryland General Assembly effective July 1, 2019, requires all school systems in the state of Maryland to add an additional component to the applicant screening and hiring process to help ensure the safety of our students. Prior to being hired, an applicant and previous employer must provide MCPS with information about any previous investigations of child sexual abuse and sexual misconduct, as well as contact information for all former employers. The request for this information may take up to 20 days for MCPS to receive, review, and prepare the applicants for hire, adding time to the hiring process. As a result, we are estimating savings of \$1,241,964 from the lapse of new positions included in the FY 2021 Operating Budget that will occur from these checks and helps offset the additional expenditure requirements included in this amended FY 2021 Operating Budget.

Conclusion

The amended FY 2021 Operating Budget that I am recommending to the Board for tentative adoption is the result of extensive internal and external feedback on the budget I recommended on December 18, 2019. This budget continues to center on our core purpose of preparing all students to thrive in their future and graduate with a deep academic knowledge and preparation for the ideas in the complex world and workplace of tomorrow. While many of our students achieve at the highest levels, not all have had the access, opportunities, and resources to meet their potential. We are committed to addressing disparities in student outcomes by closing gaps in opportunity and achievement for all students.

Recommended Resolution

WHEREAS, The superintendent of schools presented the Recommended Fiscal Year 2021 Operating Budget of \$2,801,694,031 to the Board of Education on December 18, 2019; and

WHEREAS, The Recommended Fiscal Year 2021 Operating Budget includes the Fiscal Year 2021 Special Education Staffing Plan; and

WHEREAS, The Superintendent's Recommended Fiscal Year 2021 Operating Budget as amended includes a local contribution request of \$1,794,953,151, a decrease of \$4,055,500 to the Recommended Fiscal Year 2021 Operating Budget; and

WHEREAS, The Governor's Fiscal Year 2021 operating budget presented to the Maryland General Assembly reflects an increase of \$6,046,164 in state aid to the Recommended Fiscal Year 2021 Operating Budget from December 2019; and

WHEREAS, A Montgomery County Public Schools fund balance of \$25,000,000 is estimated to be available for appropriation in Fiscal Year 2021; and

WHEREAS, Adjustments to the plan for key bodies of work result in an increase of \$1,119,660 and 13.800 Full-time Equivalent positions; and

WHEREAS, Adjustments to the estimate for student enrollment result in an increase of \$322,525 and 2.250 Full-time Equivalent positions; and

WHEREAS, Changes to the plan for technical and other adjustments in the Recommended FY 2021 Operating Budget result in a decrease of \$1,442,182 and 3.0 Full-time Equivalent positions; now therefore be it

Resolved, That the Montgomery County Board of Education approve the Fiscal Year 2021 Special Education Staffing Plan as outlined in the Superintendent's Recommended Fiscal Year 2021 Operating Budget; and be it further

Resolved, That upon final approval of the Fiscal Year 2021 Operating Budget in June 2020, the Special Education Staffing Plan will be submitted to the Maryland State Department of Education; and be it further

Resolved, That the Montgomery County Board of Education tentatively adopt the Superintendent's Recommended Fiscal Year 2021 Operating Budget as amended totaling \$2,803,684,695 as follows:

Montgomery County Public Schools
 FY 2021 Adopted Budget by the Board of Education
 February 10, 2020

Category	Superintendent's Recommended FY 2021 Operating Budget	Superintendent's Amended FY 2021 Operating Budget	Change Due to Superintendent's Amendments
1 Administration	\$59,940,194	\$60,693,156	\$752,962
2 Mid-level Administration	157,093,721	161,983,562	4,889,841
3 Instructional Salaries	1,121,307,513	1,101,887,382	(19,420,131)
4 Textbooks and Instructional Supplies	35,269,146	35,269,146	-
5 Other Instructional Costs	22,219,380	22,219,380	-
6 Special Education	372,735,471	381,137,927	8,402,456
7 Student Personnel Services	14,842,871	15,796,734	953,863
8 Health Services	1,192,328	2,383,056	1,190,728
9 Student Transportation	118,550,582	120,711,284	2,160,702
10 Operation of Plant and Equipment	147,180,285	149,597,575	2,417,290
11 Maintenance of Plant	42,407,177	43,089,669	682,492
12 Fixed Charges	619,474,710	619,422,679	(52,031)
14 Community Services	982,729	995,221	12,492
37 MCPS Television Special Revenue Fund	1,769,775	1,769,775	-
51 Real Estate Fund	4,936,407	4,967,149	30,742
61 Food Service Fund	59,097,265	60,399,980	1,302,715
71 Field Trip Fund	2,896,949	2,914,182	17,233
81 Entrepreneurial Activities	19,797,528	18,446,838	(1,350,690)
Total	\$2,801,694,031	\$2,803,684,695	\$1,990,664

JRS:DKM:tpk

TABLE 1
SUMMARY OF RESOURCES
BY OBJECT OF EXPENDITURE

OBJECT OF EXPENDITURE	FY 2019 ACTUAL	FY 2020 BUDGET	FY 2020 CURRENT	FY 2021 BUDGET	FY 2021 CHANGE
POSITIONS					
Administrative	727.750	745.250	745.250	761.550	16.300
Business/Operations Admin.	95.750	96.750	96.750	97.750	1.000
Professional	13,260.711	13,498.086	13,499.086	13,832.686	333.600
Supporting Services	8,425.652	8,565.287	8,566.287	8,797.854	231.567
TOTAL POSITIONS	22,509.863	22,905.373	22,907.373	23,489.840	582.467
01 SALARIES & WAGES					
Administrative	\$100,280,262	\$105,861,094	\$105,759,931	\$107,916,616	\$2,156,685
Business/Operations Admin.	9,285,721	10,211,740	10,211,740	10,306,722	94,982
Professional	1,119,134,314	1,178,694,567	1,178,795,730	1,238,030,738	59,235,008
Supporting Services	376,199,520	398,828,589	398,742,608	418,643,742	19,901,134
TOTAL POSITION DOLLARS	1,604,899,817	1,693,595,990	1,693,510,009	1,774,897,818	81,387,809
OTHER SALARIES					
Administrative	298,101	262,112	262,112	260,112	(2,000)
Professional	66,164,432	69,003,846	69,089,827	70,332,506	1,242,679
Supporting Services	31,791,587	28,292,943	28,292,943	31,351,264	3,058,321
TOTAL OTHER SALARIES	98,254,120	97,558,901	97,644,882	101,943,882	4,299,000
TOTAL SALARIES AND WAGES	1,703,153,937	1,791,154,891	1,791,154,891	1,876,841,700	85,686,809
02 CONTRACTUAL SERVICES	56,283,308	56,012,488	56,012,488	71,445,540	15,433,052
03 SUPPLIES & MATERIALS	73,861,952	74,088,741	74,088,741	79,853,749	5,765,008
04 OTHER					
Local/Other Travel	2,499,899	2,323,372	2,323,372	2,536,863	213,491
Insur & Employee Benefits	611,054,506	620,918,200	620,918,200	630,073,604	9,155,404
Utilities	40,909,626	43,348,553	43,348,553	43,765,463	416,910
Miscellaneous	65,778,977	71,321,778	71,321,778	77,168,715	5,846,937
TOTAL OTHER	720,243,008	737,911,903	737,911,903	753,544,645	15,632,742
05 EQUIPMENT	22,335,307	21,406,750	21,406,750	23,010,864	1,604,114
GRAND TOTAL AMOUNTS	\$2,575,877,512	\$2,680,574,773	\$2,680,574,773	\$2,804,696,498	\$124,121,725

**TABLE 2
BUDGET REVENUE BY SOURCE**

SOURCE	FY 2019 ACTUAL*	FY 2020 BUDGET	FY 2020 CURRENT	FY 2021 ESTIMATED
CURRENT FUND				
From the County:	\$1,708,627,645	\$1,726,807,241	\$1,726,807,241	\$1,795,964,954
Programs financed through local Grants	18,000			
Total from the County	1,708,645,645	1,726,807,241	1,726,807,241	1,795,964,954
From the State:				
Bridge to Excellence				
Foundation Grant	351,744,825	368,197,235	368,197,235	388,035,631
Geographic Cost of Education Index	37,711,769	38,902,207	38,902,207	39,976,914
Limited English Proficient	73,546,106	76,846,546	76,846,546	81,960,239
Compensatory Education	141,592,674	143,060,602	143,060,602	148,569,680
Students with Disabilities - Formula	40,397,516	42,511,232	42,511,232	44,502,835
Students with Disabilities - Reimbursement	18,178,358	18,445,511	18,445,511	19,202,127
Transportation	43,241,528	46,449,499	46,449,499	47,626,347
Miscellaneous	195,830	200,000	200,000	200,000
Blueprint for Maryland's Future State Aid		24,424,464	10,482,238	11,472,106
Blueprint for Maryland's Future Grant			13,942,226	15,932,890
Programs financed through State Grants	4,513,753	800,853	800,853	800,853
Total from the State	711,122,359	759,838,149	759,838,149	798,279,622
From the Federal Government:				
Impact Aid	185,340	100,000	100,000	150,000
Programs financed through Federal Grants	80,069,774	81,966,414	81,966,414	82,372,794
Total from the Federal Government	80,255,114	82,066,414	82,066,414	82,522,794
From Other Sources:				
Tuition and Fees				
D.C. Welfare	291,683	240,000	240,000	250,000
Nonresident Pupils	502,802	530,000	530,000	500,000
Summer School	1,703,433	1,600,000	1,600,000	1,650,000
Outdoor Education	693,661	700,000	700,000	700,000
Miscellaneous	2,165,909	300,000	300,000	1,300,000
Programs financed through Private Grants	576,965	6,731,204	6,731,204	10,031,204
Total from Other Sources	5,934,453	10,101,204	10,101,204	14,431,204
Fund Balance	25,000,000	25,000,000	25,000,000	25,000,000
Total Current Fund	2,530,957,571	2,603,813,008	2,603,813,008	2,716,198,574
ENTERPRISE & SPECIAL FUNDS				
School Food Service Fund:				
State	1,998,337	2,243,044	2,243,044	1,961,392
National School Lunch, Special Milk and Free Lunch Programs	41,622,040	38,276,538	38,276,538	40,852,540
Sale of Meals and other	17,917,300	17,588,383	17,588,383	17,586,048
Total School Food Service Fund	61,537,677	58,107,965	58,107,965	60,399,980

**TABLE 2
BUDGET REVENUE BY SOURCE**

SOURCE	FY 2019 ACTUAL*	FY 2020 BUDGET	FY 2020 CURRENT	FY 2021 ESTIMATED
Real Estate Management Fund:				
Rental fees	3,327,588	3,966,407	3,966,407	4,967,149
Total Real Estate Management Fund	3,327,588	3,966,407	3,966,407	4,967,149
Field Trip Fund:				
Fees	2,175,575	2,736,949	2,736,949	2,914,182
Total Field Trip Fund	2,175,575	2,736,949	2,736,949	2,914,182
Entrepreneurial Activities Fund:				
Fees	12,856,424	10,150,669	10,150,669	18,446,838
Total Entrepreneurial Activities Fund	12,856,424	10,150,669	10,150,669	18,446,838
Total Enterprise Funds	79,897,264	74,961,990	74,961,990	86,728,149
Instructional Television Special Revenue Fund:				
Cable Television Plan	1,789,941	1,799,775	1,799,775	1,769,775
Total Instructional Special Revenue Fund	1,789,941	1,799,775	1,799,775	1,769,775
GRAND TOTAL	\$2,612,644,776	\$2,680,574,773	\$2,680,574,773	\$2,804,696,498
Tax - Supported Budget	FY 2019 ACTUAL	FY 2020 BUDGET	FY 2020 CURRENT	FY 2021 ESTIMATE
Grand Total	\$2,612,644,776	\$2,680,574,773	\$2,680,574,773	\$2,804,696,498
Less:				
Grants	(85,160,492)	(89,498,471)	(103,440,697)	(109,137,741)
Enterprise Funds	(79,897,264)	(74,961,990)	(74,961,990)	(86,728,149)
Special Revenue Fund	(1,789,941)	(1,799,775)	(1,799,775)	(1,769,775)
Grand Total - Tax-Supported Budget	\$2,445,797,079	\$2,514,314,537	\$2,500,372,311	\$2,607,060,833

The Real Estate Management Fund was created July 1, 1992. The Field Trip Fund was created effective July 1, 1993. The Entrepreneurial Activities Fund was created effective July 1, 1998. The Instructional Television Special Revenue Fund was created July 1, 2000. *The actual column refers to revenue received during the fiscal year. In some cases, this may not include total amount of revenue awarded if the revenue spans over a multiyear funding period, which is the case for many MCPS budgeted grants.

**TABLE 3
REVENUE SUMMARY FOR GRANT PROGRAMS BY SOURCE OF FUNDS**

Program Name and Source of Funding (Budgeted)	FY 2019 ACTUAL*	FY 2020 BUDGET	FY 2020 CURRENT**	FY 2021 ESTIMATED
FEDERAL AID: EVERY STUDENT SUCCEEDS ACT (ESSA)				
Title I - A (941/942)	\$ 29,102,789	\$ 28,577,342	\$ 28,577,342	\$ 28,577,342
Subtotal	29,102,789	28,577,342	28,577,342	28,577,342
Title I - D				
Neglected and Delinquent Youth (937)	69,952	92,050	92,050	92,050
Total Title I	29,172,741	28,669,392	28,669,392	28,669,392
Title II - A				
Skillful Teaching and Leading Program (915)	559,354	631,080	631,080	3,955,757
Teacher Mentoring (917)	460,706	388,980	388,980	
Consulting Teachers (961)	2,692,347	2,525,017	2,525,017	
Total Title II	3,712,407	3,545,077	3,545,077	3,955,757
Title III				
English Language Acquisition (927)	3,080,270	3,080,270	3,080,270	3,080,270
Title IV - A				
Student Support and Academic Enrichment (925)		2,068,305	2,068,305	2,068,305
Title VII				
American Indian Education (903)	22,722	25,669	25,669	21,369
SUBTOTAL	35,988,140	37,388,713	37,388,713	37,795,093
OTHER FEDERAL, STATE, AND LOCAL AID				
Blueprint for Maryland's Future - State Concentration of Poverty (924)		-	1,990,664	3,981,328
Special Education (922)			9,132,868	9,132,868
Transitional Supplemental Instruction (920)			2,735,361	2,735,361
Mental Health Coordinator (928)			83,333	83,333
Head Start Child Development (931/932) Federal	3,970,577	3,870,476	3,870,476	3,870,476
Individuals with Disabilities Education (902/907/913) Federal	32,729,015	33,187,643	33,187,643	33,187,643
Infants and Toddlers - Passthrough from Montgomery County Department of Health and Human Services (930) Federal	638,105	622,884	622,884	622,884
State	385,632	400,853	400,853	400,853
Judith P. Hoyer Child Care Centers State (904/905)	660,000	400,000	400,000	400,000
Medical Assistance Program (939) Federal	5,117,501	5,117,501	5,117,501	5,117,501
National Institutes of Health (NIH) (908) Federal	292,691	298,512	298,512	298,512
Provision for Future Supported Projects (999) Other	6,096,803	6,731,204	6,731,204	10,031,204
Carl D. Perkins Career & Technical Ed. Improvement (950/951) Federal	1,299,018	1,480,685	1,480,685	1,480,685
SUBTOTAL	51,189,342	52,109,758	66,051,984	71,342,648
TOTAL	\$ 87,177,482	\$ 89,498,471	\$ 103,440,697	\$ 109,137,741
Summary of Funding Sources				
Federal	\$ 80,035,047	\$ 81,966,414	\$ 81,966,414	\$ 82,372,794
State	1,045,632	800,853	14,743,079	16,733,743
County				
Other	6,096,803	6,731,204	6,731,204	10,031,204
GRAND TOTAL	\$ 87,177,482	\$ 89,498,471	\$ 103,440,697	\$ 109,137,741

*The actual column refers to total revenue awarded in the fiscal year. In some cases, this includes revenue that spans over multiyear funding periods, which is the case for many MCPS budgeted grants.

**The current column reflects an increase of \$13,942,226 resulting from a portion of the Blueprint for Maryland's Future funded as grants

**TABLE 4
SUMMARY OF STUDENT ENROLLMENT - FY 2018 THROUGH FY 2021**

DESCRIPTION	(1)	(2)	(3)	(4)	(5)	CHANGE	
	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021	COLUMN (5) LESS	
	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED*	COLUMN (4)	
	9/30/2017	9/30/2018	9/30/2019	9/30/2019	9/30/2020	#	%
PRE-KINDERGARTEN	2,244	2,338	2,326	2,395	2,395		
HEAD START	628	640	644	648	648		
KINDERGARTEN	11,240	11,316	11,495	11,180	11,564	384	3.4%
GRADES 1-5	60,831	60,421	60,437	59,929	60,605	676	1.1%
SUBTOTAL ELEMENTARY	74,943	74,715	74,902	74,152	75,212	1,060	1.4%
GRADES 6-8	36,006	36,489	37,637	37,391	38,030	639	1.7%
SUBTOTAL MIDDLE	36,006	36,489	37,637	37,391	38,030	639	1.7%
GRADES 9-12	48,498	49,315	50,432	50,303	51,402	1,099	2.2%
SUBTOTAL HIGH	48,498	49,315	50,432	50,303	51,402	1,099	2.2%
ALTERNATIVE PROGRAMS	115	116	126	180	140	(40)	-22.2%
SUBTOTAL ALTERNATIVE PROGRAMS	115	116	126	180	140	(40)	-22.2%
SUBTOTAL PRE-K - GRADE 12	159,562	160,635	163,097	162,026	164,784	2,758	1.7%
SPECIAL EDUCATION							
PEP ITINERANT	75	80	100	116	124	8	6.9%
PRE-KINDERGARTEN (PEP)	1,431	1,521	1,610	1,593	1,673	80	5.0%
SPECIAL CENTERS**	477	444	460	510	460	(50)	-9.8%
SUBTOTAL SPECIAL EDUCATION	1,983	2,045	2,170	2,219	2,257	38	1.7%
GRAND TOTAL	161,545	162,680	165,267	164,245	167,041	2,796	1.7%

NOTE: Grade enrollments include special education students.

*Based on final enrollment projections

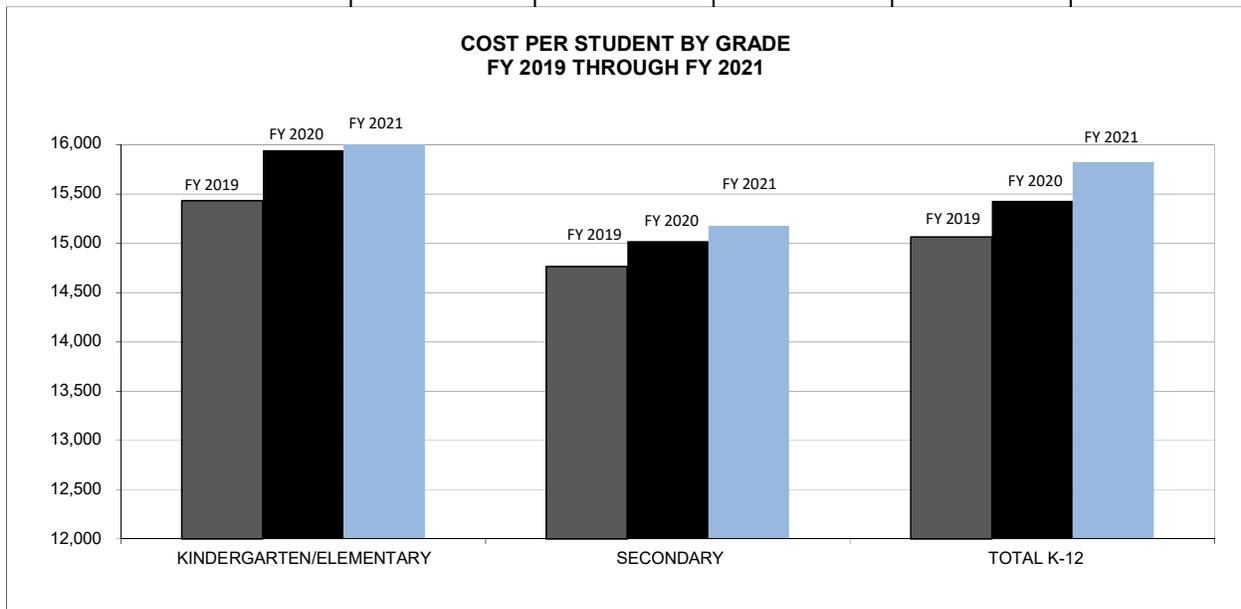
**Special centers enrollment numbers include Kindergarten through Grade 12.

**TABLE 5
ALLOCATION OF STAFFING**

	POSITIONS	BUDGET FY 2016	BUDGET FY 2017	BUDGET FY 2018	BUDGET FY 2019	CURRENT FY 2020	REQUEST FY 2021	FY 20 - FY 21 CHANGE
1	Executive	16.000	17.000	17.000	17.000	19.000	19.000	-
2	Administrative - (directors, supervisors, program coordinators, executive assistants)	199.700	197.600	198.750	182.250	184.250	193.550	9.300
3	Business/Operations Administrator - (leadership positions supervised by directors and supervisors)	88.650	86.650	90.750	95.750	96.750	97.750	1.000
4	Other Professional - (12-month instructional/evaluation specialists)	187.400	185.400	169.500	163.100	164.500	203.400	38.900
5	Principal/Assistant Principal	491.500	503.500	514.500	528.500	542.000	549.000	7.000
6	Teacher	10,940.304	11,481.264	11,572.529	11,686.139	11,884.964	12,146.514	261.550
7	Special Education Specialist - (speech pathologists, physical/occupational therapists)	506.708	503.008	509.148	511.608	521.758	529.908	8.150
8	Media Specialist	195.500	196.500	198.200	198.200	199.200	198.700	(0.500)
9	Counselor	467.000	486.000	496.500	504.500	519.500	531.500	12.000
10	Psychologist	106.034	115.034	115.409	120.534	124.534	132.034	7.500
11	Social Worker	14.830	15.830	20.030	24.230	30.230	35.230	5.000
12	Pupil Personnel Worker	51.000	53.000	53.000	52.400	54.400	55.400	1.000
13	Instructional Aide and Assistant - (paraeducators, media assistants, lunch-hour aides, parent assistants, instructional data assistants)	2,652.222	2,764.814	2,704.947	2,762.101	2,852.111	2,954.015	101.904
14	Secretarial/Clerical/Data Support - (secretarial, clerical, personnel/transportation/fiscal/other lower grade program/data assistants)	963.225	967.850	977.500	973.750	982.550	984.800	2.250
15	IT Systems Specialist	109.000	108.000	108.000	121.500	119.500	125.000	5.500
16	Security - (includes all positions except those in lines 2,3,14 above)	232.000	232.000	240.000	242.000	244.000	255.000	11.000
17	Cafeteria - (Includes all positions except those in lines 2,3,14,15 above)	561.448	564.323	568.323	571.323	576.823	580.073	3.250
18	Building Services - (includes all positions except those in lines 2,3,14 above)	1,363.200	1,379.700	1,403.700	1,403.700	1,419.000	1,445.500	26.500
19	Facilities Management/Maintenance - (includes all positions except those in lines 2,3,14,15 above)	352.000	352.000	367.000	368.000	367.500	366.500	(1.000)
20	Supply/Property Management - (includes all positions except those in lines 2, 3,14,15 above)	51.500	51.500	53.500	53.500	53.500	56.500	3.000
21	Transportation - (includes all positions except those in lines 2,3 14,15 above)	1,673.153	1,693.153	1,690.153	1,700.153	1,713.278	1,787.341	74.063
22	Other Support Personnel - (business, technology human resources,communications, printing, and other support staff)	224.875	226.375	231.125	230.625	238.025	243.125	5.100
	TOTAL	21,447.249	22,180.501	22,299.564	22,510.863	22,907.373	23,489.840	582.467

**TABLE 6
COST PER STUDENT BY GRADE SPAN**

	KINDERGARTEN/ ELEMENTARY	SECONDARY	TOTAL K-12*	AMOUNT EXCLUDED*	TOTAL BUDGET**
FY 2019 BUDGET					
EXPENDITURES	1,105,344,129	1,287,032,214	2,392,376,343	204,065,376	2,596,441,719
STUDENTS 9/30/18	71,618	87,160	158,778		
COST PER STUDENT	15,434	14,766	15,067		
FY 2020 BUDGET					
EXPENDITURES	1,133,846,178	1,328,005,560	2,461,851,738	218,723,035	2,680,574,773
STUDENTS 9/30/19	71,109	88,384	159,493		
COST PER STUDENT	15,945	15,025	15,435		
FY 2021 BUDGET					
EXPENDITURES	1,200,666,121	1,366,603,051	2,567,269,172	237,427,326	2,804,696,498
STUDENTS 9/30/20	72,169	90,032	162,201		
COST PER STUDENT	16,637	15,179	15,828		



Notes:

Enrollment figures used to calculate cost per student excludes students in Prekindergarten/Head Start.

**Operating budget funds used in the calculation excludes amounts for Summer School, Community Services, Tuition for Students with Disabilities in Private Placement, Prekindergarten, Infants and Toddlers, and Enterprise Funds.

**TABLE 7
STATE CATEGORY SUMMARY**

STATE CATEGORY	FY 2019 ACTUAL*	FY 2020 BUDGET	FY 2020 CURRENT	FY 2021 ESTIMATED	FY 2021 CHANGE
FTE					
Category 1, Administration	354.625	362.875	364.875	370.375	5.500
Category 2, Mid-level Administration	1,680.250	1,700.200	1,700.200	1,724.950	24.750
Category 3, Instructional Salaries	11,789.514	12,005.889	12,005.889	12,282.546	276.657
Category 4, Textbooks & Instructional Supplies	-	-	-	-	-
Category 5, Other Instructional Costs	-	-	-	-	-
Category 6, Special Education	4,165.808	4,284.418	4,284.418	4,414.190	129.772
Category 7, Student Personnel Services	122.740	118.140	118.140	147.115	28.975
Category 8, Health Services	-	-	-	-	-
Category 9, Student Transportation	1,746.653	1,759.778	1,759.778	1,833.841	74.063
Category 10, Operation of Plant & Equipment	1,635.700	1,653.000	1,653.000	1,693.500	40.500
Category 11, Maintenance of Plant	369.000	369.000	369.000	369.000	-
Category 12, Fixed Charges	-	-	-	-	-
Category 14, Community Service	5.250	5.750	5.750	5.750	-
Category 37, MCPS TV Special Revenue Fund	13.500	13.500	13.500	13.500	-
Category 51, Real Estate Fund	12.000	12.000	12.000	11.000	(1.000)
Category 61, Food Service Fund	598.323	604.323	604.323	607.573	3.250
Category 71, Field Trip Fund	4.500	4.500	4.500	4.500	-
Category 81, Entrepreneurial Activities	12.000	12.000	12.000	12.000	-
GRAND TOTAL, FTE	22,509.863	22,905.373	22,907.373	23,489.840	582.467
AMOUNT					
Category 1, Administration	\$51,249,103	\$56,084,530	\$56,084,530	\$60,785,061	\$4,700,531
Category 2, Mid-level Administration	148,125,900	155,129,371	155,129,371	161,983,562	6,854,191
Category 3, Instructional Salaries	1,003,426,237	1,056,492,456	1,056,492,456	1,102,583,256	46,090,800
Category 4, Textbooks & Instructional Supplies	27,218,820	30,635,413	30,635,413	35,269,146	4,633,733
Category 5, Other Instructional Costs	16,263,487	19,632,889	19,632,889	22,219,380	2,586,491
Category 6, Special Education	342,604,008	362,094,167	362,094,167	381,137,927	19,043,760
Category 7, Student Personnel Services	12,374,569	12,286,317	12,286,317	15,796,734	3,510,417
Category 8, Health Services	1,590	1,198,504	1,198,504	2,383,056	1,184,552
Category 9, Student Transportation	111,025,650	113,256,108	113,256,108	120,711,284	7,455,176
Category 10, Operation of Plant & Equipment	141,515,410	143,934,553	143,934,553	149,597,575	5,663,022
Category 11, Maintenance of Plant	40,419,956	42,192,177	42,192,177	43,089,669	897,492
Category 12, Fixed Charges	600,417,906	609,963,794	609,963,794	619,646,703	9,682,909
Category 14, Community Service	704,306	912,729	912,729	995,221	82,492
Category 37, MCPS TV Special Revenue Fund	1,723,205	1,799,775	1,799,775	1,769,775	(30,000)
Category 51, Real Estate Fund	3,640,705	3,966,407	3,966,407	4,967,149	1,000,742
Category 61, Food Service Fund	59,572,246	58,107,965	58,107,965	60,399,980	2,292,015
Category 71, Field Trip Fund	2,303,800	2,736,949	2,736,949	2,914,182	177,233
Category 81, Entrepreneurial Activities	13,290,614	10,150,669	10,150,669	18,446,838	8,296,169
GRAND TOTAL, AMOUNT	\$2,575,877,512	\$2,680,574,773	\$2,680,574,773	\$2,804,696,498	\$124,121,725

*The actual column refers to total revenue awarded in the fiscal year. In some cases, this includes revenue that spans over multiyear funding periods, which is the case for many MCPS budgeted grants.



Technology Modernization

(P036510)

Category	Montgomery County Public Schools	Date Last Modified	03/07/20
SubCategory	Countywide	Administering Agency	Public Schools
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Planning, Design and Supervision	479,110	291,514	33,559	154,037	25,484	25,143	26,746	26,664	25,000	25,000	-
TOTAL EXPENDITURES	479,110	291,514	33,559	154,037	25,484	25,143	26,746	26,664	25,000	25,000	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Current Revenue: General	225,109	73,576	34,095	117,438	13,161	15,542	22,557	21,502	22,338	22,338	-
Federal Aid	22,597	22,015	582	-	-	-	-	-	-	-	-
Recordation Tax	231,404	195,923	(1,118)	36,599	12,323	9,601	4,189	5,162	2,662	2,662	-
TOTAL FUNDING SOURCES	479,110	291,514	33,559	154,037	25,484	25,143	26,746	26,664	25,000	25,000	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Approp. Request	25,484	Year First Appropriation	FY03
Appropriation FY 22 Approp. Request	25,143	Last FY's Cost Estimate	423,016
Cumulative Appropriation	323,767		
Expenditure / Encumbrances	289,729		
Unencumbered Balance	34,038		

PROJECT DESCRIPTION

The Technology Modernization (Tech Mod) project is a key component of the Montgomery County Public School 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. An FY 2017 appropriation was approved to continue the technology modernization program as well as fund 16 information technology system specialist positions being reallocated from the Operating Budget to the Capital Budget. An FY 2018 appropriation was approved to continue this project. An FY 2019 appropriation was approved to continue this project and the technology modernization program to our schools throughout the system. However, due to fiscal constraints, the County Council approved a reduction of \$3.622 million in FY 2019 from the Board of Education's request. An FY 2020 appropriation was approved to continue this project; however, due to fiscal constraints, the County Council shifted expenditures from FY 2021 and FY 2022 to FY 2023 and FY 2024. An FY 2021 appropriation is requested to continue this project and provide technology modernization to schools throughout the system.

FISCAL NOTE

FY19 and FY20 funding switch between Recordation Tax and Current Revenue General for \$10,296,000 and 6,280,000 respectively.

COORDINATION

FY 2019 -- Salaries and Wages: \$4.819M, Fringe Benefits: \$893K, Workyears: 36.5 FY 2020-2024 -- Salaries and Wages \$24.1M, Fringe Benefits \$4.5M, Workyears: 182.5.



MONTGOMERY COUNTY BOARD OF EDUCATION

850 Hungerford Drive ♦ Room 123 ♦ Rockville, Maryland 20850

April 30, 2020



The Honorable Sidney A. Katz, President,
and Members of the Montgomery County Council
Stella B. Warner Council Office Building
100 Maryland Avenue, 6th Floor
Rockville, Maryland 20850

Dear Mr. Katz and Councilmembers:

The COVID-19 pandemic has created tremendous uncertainty for our students, staff, and families. We appreciate the efforts of everyone involved to ensure the safety and well-being of our community, and we recognize that this unprecedented crisis has significantly altered the fiscal landscape of our state and county. The Fiscal Year 2021 Montgomery County Public Schools (MCPS) Operating Budget was developed in the context of a generally positive economic environment. The Board of Education's proposed budget of \$2,804,696,498, which exceeded Maintenance of Effort by \$44,103,231, was moved to the County Government on February 28, 2020. On Thursday March 5, 2020, the first three identified cases of COVID-19 arrived in Maryland, in Montgomery County specifically. The following week, on March 12, the governor and state superintendent of schools directed all schools to close under a two-week emergency closure, March 16 through March 27, 2020. The impact of the pandemic virus has been felt across all households in our county as we have rapidly adjusted to this new normal for MCPS and our community. We are proud to be a part of the response effort to this pandemic in Montgomery County, having served more than 1,238,000 meals to date; distributed more than 60,000 Chromebooks to students who need them; provided internet connectivity for students; delivered more than 20,000 masks to our first responders; and established a robust continuity of learning plan for our students.

On March 24, 2020, the Montgomery County Council passed a resolution indicating that they planned to provide a same services budget to county departments and affiliated agencies, including Montgomery County Public Schools. Such a budget would provide only Maintenance of Effort funding for the school system.

Given the unprecedented circumstance of a worldwide pandemic and given its effect on:

- the health and well-being of residents,
- the social structures of communities,
- the business and economic activity of the county state and nation, and
- the consequences of these effects on the resources available now and in the future on funding for public education as well as the many other important services provided by county and state governments.

Phone 240-740-3030 ♦ Fax 301-279-3860 ♦ boe@mcpsmd.org ♦ www.montgomeryschoolsmd.org

Montgomery County Public Schools is committed to the following:

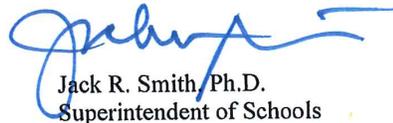
- Using funding to maintain the operational and instructional infrastructure of the school systems that has served our community so well, maintaining the focus on excellence and equity as inherently interrelated elements of a strong school system.
- Implementing systems to support the continued focus on re-entry and the norming of school processes and to address the social emotional needs of students and staff impacted post an unexpected worldwide health pandemic.
- Using local, state, and federal funds to create a Pre-K-12 learning recovery system that could begin in early July if school buildings are open and available for students and educators. Such a system must be designed to provide services for many more students than in previous summers, including a broad spectrum of students, from those students who need support and intervention to those students who need the most rigorous or specialized curriculum such as two-way immersion programs. Such a recovery system must be offered to prekindergarten students.
- Using local, state, and federal funds to create a technology infrastructure that ensures that both digital tools and connectivity are available to each MCPS student as a part of their enrollment in the school system. The COVID-19 crisis has exposed, more than ever before, the digital divide in our community. It is critical that we equip all students for success in the future, especially as we continue to build out a full blended learning program that positively impacts student learning and that can be activated at any point in the future should it become necessary for the continuity of learning.

We look forward to working with you to the FY 2021 operating budget for MCPS.

Sincerely,



Shebra L. Evans
President



Jack R. Smith, Ph.D.
Superintendent of Schools

SLE:JRS:HRJ:sln

Copy to:

Members of the Board of Education	Dr. Zuckerman	Ms. McGuire
Dr. McKnight	Mrs. Ahn	Mr. Turner
Dr. Navarro	Dr. Johnson	Ms. Webb
Dr. Wilson	Mr. Marella	