



Committee: Directly to Council
Committee Review: N/A
Staff: Nicole Rodríguez-Hernández, Legislative Analyst
Purpose: To receive testimony/final action— vote expected
Keywords: #MCPS #Capital Projects

REVISED
AGENDA ITEM #9
July 12, 2022
Public Hearing/Action

SUBJECT

Public Hearing/Action - FY23 Capital Budget Special Appropriation and Amendment to the FY23-28 Capital Improvements Program: Montgomery County Public Schools, \$2,077,854.96, Technology Modernization (Source of funds: Federal E-Rate Reimbursement)

EXPECTED ATTENDEES

None

DESCRIPTION/ISSUE

The Council will receive testimony and consider action on a FY23 capital budget supplemental appropriation and amendment to the MCPS FY23-28 CIP Technology Modernization project. The source of funds for this project is a Federal E-Rate reimbursement.

SUMMARY OF KEY DISCUSSION POINTS

- On May 26, the Board of Education (BOE) approved the appropriation and amendment request and transmitted notice to the Council on June 15. The Council introduced this appropriation on June 28.
- The Council has approved the Federal E-Rate reimbursement since FY 2010. The Federal E-Rate program allows MCPS to expand student access to technology—the rebates apply to expenditures related to Internet and technology hardware and software. This year, the reimbursement will focus on the continued effort to eliminate the digital divide or “homework gap”—specifically in the distribution of 13,000 internet hotspots.

This report contains:

Draft Resolution and PDF, BOE Memorandum
Council Staff REIA

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Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Special Appropriation to the FY23 Capital Budget, and
Amendment to the FY23-28 Capital Improvements Program,
Montgomery County Public Schools,
Technology Modernization, \$2,077,854.96
Source of Funds: Federal E-Rate Reimbursement

Background

1. Section 5-105 (d) of the Education Article of the Annotated Code of Maryland provides for the expenditure of non-local funds by the County Board of Education after adoption of the budget, only with the approval of the County fiscal authority.
2. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
3. Section 302 of the County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
4. On May 26, the Board of Education approved a special appropriation for the Montgomery County Public Schools' FY23 Technology Modernization Capital Project as follows:

| <u>Project Name</u> | <u>Project Number</u> | <u>Amount</u> | <u>Source of Funds</u> |
|--------------------------|-----------------------|----------------|------------------------------|
| Technology Modernization | P036510 | \$2,077,854.96 | Federal E-Rate Reimbursement |

5. This increase is needed to support MCPS' programs to provide access to technology for students beyond the school day, including internet hotspots.
6. Notice of public hearing was given and a public hearing was held.
7. The County Council declares this request is in the public interest to be acted upon without delay as provided for under special appropriation requirements described in Article 3, Section 308 of the Montgomery County Charter.

Action

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

A special appropriation for the FY23 Capital Budget and amendment to the FY23-28 Capital Improvements Program of the Montgomery County Public Schools is approved as follows:

| <u>Project Name</u> | <u>Project Number</u> | <u>Amount</u> | <u>Source of Funds</u> |
|--------------------------|-----------------------|----------------|------------------------------|
| Technology Modernization | P036510 | \$2,077,854.96 | Federal E-Rate Reimbursement |

This is a correct copy of Council action.

Judy Rupp
Clerk of the Council



Technology Modernization (P036510)

| | | | |
|---------------|----------------------------------|----------------------|----------------|
| Category | Montgomery County Public Schools | Date Last Modified | 05/20/22 |
| SubCategory | Countywide | Administering Agency | Public Schools |
| Planning Area | Countywide | Status | Ongoing |

| Total | Thru FY21 | Est FY22 | Total 6 Years | FY 23 | FY 24 | FY 25 | FY 26 | FY 27 | FY 28 | Beyond 6 Years |
|-------|-----------|----------|---------------|-------|-------|-------|-------|-------|-------|----------------|
|-------|-----------|----------|---------------|-------|-------|-------|-------|-------|-------|----------------|

EXPENDITURE SCHEDULE (\$000s)

| | | | | | | | | | | | |
|----------------------------------|----------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|----------|
| Planning, Design and Supervision | 529,605 | 345,251 | 28,866 | 155,488 | 28,824 | 26,664 | 25,000 | 25,000 | 25,000 | 25,000 | - |
| TOTAL EXPENDITURES | 529,605 | 345,251 | 28,866 | 155,488 | 28,824 | 26,664 | 25,000 | 25,000 | 25,000 | 25,000 | - |

FUNDING SCHEDULE (\$000s)

| | | | | | | | | | | | |
|------------------------------|----------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|----------|
| Current Revenue: General | 234,993 | 84,542 | 16,165 | 134,286 | 20,995 | 26,623 | 23,231 | 21,544 | 22,401 | 19,492 | - |
| Federal Aid | 27,262 | 25,695 | (511) | 2,078 | 2,078 | - | - | - | - | - | - |
| Recordation Tax | 267,350 | 235,014 | 13,212 | 19,124 | 5,751 | 41 | 1,769 | 3,456 | 2,599 | 5,508 | - |
| TOTAL FUNDING SOURCES | 529,605 | 345,251 | 28,866 | 155,488 | 28,824 | 26,664 | 25,000 | 25,000 | 25,000 | 25,000 | - |

APPROPRIATION AND EXPENDITURE DATA (\$000s)

| | | | |
|------------------------------------|---------|--------------------------|---------|
| Appropriation FY 23 Request | 26,746 | Year First Appropriation | FY03 |
| Appropriation FY 24 Request | 26,664 | Last FY's Cost Estimate | 476,221 |
| Supplemental Appropriation Request | 2,078 | | |
| Cumulative Appropriation | 375,932 | | |
| Expenditure / Encumbrances | - | | |
| Unencumbered Balance | 375,932 | | |

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 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 was approved to continue this project and provide technology modernization to schools throughout the system. However, due to fiscal constraints, the County Council, in the adopted FY2021-2026 CIP, reduced the FY2021 and FY2022 expenditures for this project with respect the Board of Education's request. An FY 2022 appropriation was approved to continue this level of effort project and provide technology modernization to schools throughout the system. An FY 2023 appropriation was approved to continue this level of effort project and provide technology modernization to schools systemwide.

FISCAL NOTE

FY19 and FY20 funding switch between Recordation Tax and Current Revenue General for \$10,296,000 and \$6,280,000 respectively. FY21 reduction in requested Current Revenue: General for \$3.616 million and in FY22 for \$1.0 million with the assumption that in FY21 there will be \$1.2 million in Federal E-Rate.

FY21 supplemental for \$1,815,267 under Federal E-Rate Reimbursement

FY23 supplemental in Federal Aid for the amount of \$2,077,854.96

COORDINATION


FY 2023 -- Salaries and Wages: \$5M, Fringe Benefits: \$893K, Workyears: 36.5 FY 2024-2028 -- Salaries and Wages \$24M, Fringe Benefits \$5M, Workyears: 182.5.

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

May 26, 2022

MEMORANDUM

To: Members of the Board of Education

From: Monifa B. McKnight, Interim Superintendent of Schools 

Subject: Fiscal Year 2022 Supplemental Appropriation Request for Technology Modernization

The County Council has approved the expenditure of Federal Education Rate (E-Rate) funds in the Montgomery County Public Schools (MCPS) Capital Improvements Program (CIP) Technology Modernization (Tech Mod) Project since Fiscal Year (FY) 2010. E-Rate, the Federal Communication Commission’s Schools and Libraries Program, provides incentives for the use of technology in schools by offering rebates on Internet and telecommunication service costs. MCPS has been using E-Rate rebates for many years to expand student access to technology by purchasing technology hardware and software as part of the larger technology modernization plan. These rebates apply to expenditure costs that the district incurs for Internet, access points, routers, switches, hubs, wiring, repair, and upkeep of eligible internal connections.

The continued strategic investment in the use of technology for teaching and learning has never been more important in actualizing the initiatives articulated in our system’s Strategic Priorities. For many years, MCPS has focused on investing in a learning infrastructure that provides “anywhere and anytime” access to digital teaching and learning resources for all staff and students. Specifically, this work has enabled the expansion of wireless infrastructure for all school buildings and classrooms. It also was coupled with the implementation of mobile devices for classrooms including Chromebooks and iPads. Most recently, these technologies have been reconfigured to create a learning infrastructure that connects students with teachers, learning resources, and wraparound services beyond the school building and the school day. The investments made to build this robust learning infrastructure have positioned MCPS with the ability to use technology to address the homework gap and help to provide access to internet and devices for families that need them. Funding to maintain this level of service and also expand and improve it is critical to ensure we eliminate any digital divide.

Current Tech Mod expenditures are aimed at eliminating what has been described as the digital divide or the “homework gap” that exists in Montgomery County, and has been a core strategy for MCPS as we have implemented an umbrella of services for several years. The COVID-19 pandemic accelerated the implementation of this strategy and funding was realigned to begin

to meet this need. This E-Rate reimbursement funding will be used in the Technology Modernization budget to help contribute to the Maintenance of Effort of providing connectivity to students and families not only now but as we go forward. To date, MCPS has distributed more than 13,000 internet hotspots to families who need this connectivity to learning and support resources. E-Rate reimbursements will be used to offset some of the costs incurred. To that end, a supplemental appropriation request is necessary in the amount of \$2,077,854.96 to help offset costs and support the continued work of the Technology Modernization CIP Project. The source of revenue is Federal E-Rate Reimbursement funding.

Therefore, I recommend that the Board approve the following resolution:

WHEREAS, Federal Education Rate funds in the amount of \$2,077,854.96 are available as a Fiscal Year 2022 supplemental appropriation to provide additional funding necessary to support the Maintenance of Effort for student internet hotspots; now therefore be it

Resolved, That the Board of Education request a Fiscal Year 2022 supplemental appropriation in the amount of \$2,077,854.96 for the Technology Modernization Capital Improvements Program Project to expend Federal Education Rate funds received in 2022 to help offset costs of student internet hotspots; and be it further

Resolved, That a copy of this resolution be provided to the county executive and the Montgomery County Council, and be it further

Resolved, That the county executive be requested to recommend approval of this resolution to the County Council.

MBM:ESD:SSS:sjk

Council Sponsored Special Appropriation: Racial Equity and Social Justice

SUBJECT

- Special Appropriation to the FY23 Operating Budget and Amendment to the FY23-28 Capital Improvements Program, Montgomery County Public Schools, \$252,242,245 for the Technology Modernization project. (Source of Funds: Federal E-Rate Reimbursement)
- Board of Education requested: June 15, 2022
- Council introduced: June 28, 2022
- Public Hearing and Action: scheduled July 12, 2022

Description and Background

MCPS annually receives Federal E-Rate Reimbursements by participating in E-Rate, the Federal Communication Commission's Schools and Libraries Program. The Council has approved the reimbursement annually since FY 2020. The program provides incentives for the use of technology in schools by offering rebates on expenditures related to Internet and technology hardware and software.

The requested appropriation will be used to offset some of the costs of the over 13,000 internet hotspots provided to students and families who need it for learning and support resources.

The Board of Education memorandum indicates that the technological investments made to create a "robust learning infrastructure [has] positioned MCPS with the ability to use technology to address the homework gap and help to provide access to internet and devices for families that need them. Funding to maintain this level of service and also expand and improve it is critical to ensure eliminate any digital divide."

Data

The Office of Racial Equality and Social Justice has referenced the following data in analyses of related MCPS appropriations:

As of September 30, 2021, MCPS had a total enrollment of 160,564 students¹, operating 209² schools in the 2020-2021 school year. The majority of MCPS students are students of color with the following distribution by race and ethnicity: 21.8% Black/African American; 14.3% Asian; 32.8% Hispanic/Latino; 25.8% White; .1% American Indian/Alaska Native; 5% two or more races; no students reported being Native Hawaiian/Pacific

¹ MCPS Data Dashboard. Learning Accountability and Results. "Enrollment: Individual Measures". Available at: <https://www.montgomeryschoolsmd.org/data/LAR-charts/enrollment.html>

² "About MCPS". Available at: <https://www.montgomeryschoolsmd.org/about/>

Islander. Students in MCPS also have diverse socioeconomic characteristics and are represented in the following service groups in 2021: 16.4% were enrolled in English as a Second language (ESOL) programs; 38.7% were in Free and Reduced Meals (FARMS) programs; and 12.5% received special education instruction. Trends in MCPS student enrollment reveal that the school system has become more diverse and is largely a socioeconomic and racially segregated system³.

Prior to the Covid-19 pandemic, students of color experienced disparities in resources, opportunities, and outcomes across educational settings (K-12 and post-secondary)⁴. These disparities are explored in a 2019 Montgomery County Office of Legislative Oversight (OLO) report, MCPS Performance and Opportunity Gaps⁵. The report notes persistent disparities across a number of achievement performance metrics by race, ethnicity, and service group status. The analysis also explains the inequities underlying many of these disparities, describing how “concentrated poverty and segregation among MCPS schools and the under-funding of compensatory education and English Speakers of Other Languages (ESOL) programs relative to student need”⁶ shapes student opportunity. A growing body of evidence suggests that racial, ethnic, and service group disparities have been exaggerated by the pandemic. The US Department of Education explained in a June 2021 report how the pandemic has impacted students of all ages and backgrounds, noting the following challenges for students of color, students with disabilities, and students experiencing the destabilizing effects of new or persistent financial insecurity:

- Live in households where adults are more likely to experience job losses or covid-19 exposure, creating or exaggerating economic constraints and negative health outcomes.
- Disparities in access to mental health services or the full range of academic and wrap around services that a school provides.
- Barriers in access to technology or necessary supports to stay connected to school and educational opportunities.
- Amplification of language barriers for students and households with English-language learners.
- Disrupted educational opportunities for students with Individualized Education Plans (IEPs) and;
- Overall, the report noted for all groups slow to non-existent recovery in academic achievement due to preexisting resource and opportunity gaps that produce disparate student performance outcomes.

³ Elaine Bonner-Tompkins. MCPS Performance and Opportunity Gaps. Report Number 2019-4. December 2019. Available at: <https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/OLOReport2019-14.pdf>

⁴ Education in a Pandemic: The Disparate Impact of Covid-19 on America’s Students. US Department of Education Office for Civil Rights. June 2021. Available at: <https://www2.ed.gov/about/offices/list/ocr/docs/20210608-impacts-ofcovid19.pdf>

⁵ Elaine Bonner-Tompkins.

⁶ Elaine Bonner-Tompkins.

Council Staff Comments

The purpose and implementation of this special appropriation as stated in the Board of Education materials appears consistent with the intent of the Federal program, which is to increase the use of technology in schools. The requested appropriation of Federal E-Rate Reimbursement funds will be used to offset the costs of Internet hotspots which provides necessary connectivity to learning and support resources for students and families in need in Montgomery County Public Schools.