

Resolution No.: 19-1017
 Introduced: September 21, 2021
 Adopted: October 12, 2021

**COUNTY COUNCIL
 FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: County Council

SUBJECT: Categorical Transfer, FY21 Operating Budget
 Montgomery County Public Schools, \$67,700,000
 and
 Categorical Transfer, FY21 Operating Budget
 Montgomery County Public Schools, Grant Funds, \$1,700,000

Background

- Section 5-105 of the Education Article of the Annotated Code of Maryland provides for transfers among major categories of the Operating Budget of the Montgomery County Public Schools only with the approval of the County Council.
- The County Council received the Board of Education’s action on September 14, 2021, requesting a transfer among state categories as follows:

<u>Category</u>	<u>Description</u>	<u>To</u>	<u>From</u>
3	Instructional Salaries		\$62,000,000
4	Textbooks and Instructional Supplies	\$35,700,000	
5	Other Instructional Costs	\$6,500,000	
9	Student Transportation		\$5,700,000
12	Fixed Charges	\$25,500,000	
	Total	\$67,700,000	\$67,700,000

- The County Council received the Board of Education’s action of June 29, 2021, requesting a transfer of grant funds among state categories as follows:

<u>Category</u>	<u>Description</u>	<u>To</u>	<u>From</u>
4	Instructional Supplies		\$300,000
5	Other Instructional Costs		\$500,000
6	Special Education	\$1,300,000	
7	Student Personnel Services	\$100,000	
10	Operation of Plant		\$600,000
12	Fixed Charges	\$300,000	
14	Community Services		\$300,000
	Total	\$1,700,000	\$1,700,000

4. The Board of Education has requested authorization to make an FY21 categorical transfer to align budgeted appropriations with actual expenditures. This request would offset deficits in Category 4, Textbooks and Instructional Supplies; Category 5, Other Instructional Costs; and Category 12, Fixed Charges, by transferring a surplus from Category 3, Instructional Salaries and Category 9, Student Transportation.
5. The deficit in Category 4, Textbooks and Instructional Supplies, is due to a need for technology, curriculum roll-out and other supplies such as personal protection equipment as a result of the COVID-19 pandemic.
6. The deficit in Category 5, Other Instructional Costs, is a result of expenditures for new curriculum, contractual services expenses for social emotional learning, school furniture, and graduation expenses.
7. The deficit in Category 12, Fixed Charges, is due to additional contributions to the MCPS Employees Group Insurance Fund and the MCPS Pension Fund.
8. The Board of Education has also requested authorization to make an FY21 categorical transfer of grant funds to align budgeted appropriations with actual expenditures in seven categories as outlined above. The appropriate categories for grant expenditures must be anticipated in the budget, and transfers are necessary to reflect actual expenditure requirements of the grants projects when they differ from the budgeted projections.
9. In addition to the requested categorical transfers, it is important to note the Board of Education acted on an FY21 operating budget that included tentative adjustments for several State Categories, thus differing from the County Council's approved budget. The Council was aware of the atypical changes that were the result of unforeseen extenuating circumstances and unanticipated relief funding related to the COVID-19 health pandemic.

Category	Council FY21 Approved 05/21/2020	BOE Tentative Changes	BOE FY21 Action 06/11/2020
1	\$ 59,618,921	\$ (2,471,276)	\$ 57,147,645
2	\$ 157,556,988	\$ (1,103,483)	\$ 156,453,505
3	\$ 1,072,129,446	\$ 37,857,004	\$ 1,109,986,450
4	\$ 35,757,821	\$ (3,939,839)	\$ 31,817,982
5	\$ 22,112,380	\$ (1,060,161)	\$ 21,052,219
6	\$ 375,247,185	\$ 24,664	\$ 375,271,849
7	\$ 16,159,669	\$ (350,000)	\$ 15,809,669
8	\$ 2,383,056	\$ (1,600)	\$ 2,381,456
9	\$ 119,715,284	\$ (2,000,000)	\$ 117,715,284
10	\$ 148,397,575	\$ (2,603,646)	\$ 145,793,929
11	\$ 43,089,669	\$ (400,000)	\$ 42,689,669
12	\$ 619,645,920	\$ (23,939,171)	\$ 595,706,749
14	\$ 995,221	\$ (12,492)	\$ 982,729
Total	\$ 2,672,809,135	\$ -	\$ 2,672,809,135

Action

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

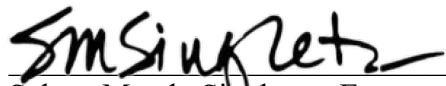
The FY21 Operating Budget of the Montgomery County Public Schools is hereby amended, and a transfer of appropriation is approved as follows:

Category	Description	To	From
3	Instructional Salaries		\$62,000,000
4	Textbooks and Instructional Supplies	\$35,700,000	
5	Other Instructional Costs	\$6,500,000	
9	Student Transportation		\$5,700,000
12	Fixed Charges	\$25,500,000	
	Total	\$67,700,000	\$67,700,000

A transfer of grant funds is approved as follows:

Category	Description	To	From
4	Instructional Supplies		\$300,000
5	Other Instructional Costs		\$500,000
6	Special Education	\$1,300,000	
7	Student Personnel Services	\$100,000	
10	Operation of Plant		\$600,000
12	Fixed Charges	\$300,000	
14	Community Services		\$300,000
	Total	\$1,700,000	\$1,700,000

This is a correct copy of Council action.



Selena Mendy Singleton, Esq.
Clerk of the Council