



January 17, 2024

MEMORANDUM

TO: Edward Burroughs, III, Chair
Education and Workforce Development (EWD) Committee

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: David Noto 
Legislative Budget and Policy Analyst

RE: Board of Education FY 2023 Financial Review #3

The Board of Education (BOE) requests authority to transfer appropriated funds between major expenditure categories to maintain a balanced budget and ensure fiscal stability through the end of the fiscal year. Total revenue and expenditures remain at \$2,659,688,770. This is \$29,477,770 more than the original County Council Approved FY 2023 Budget due to the receipt of additional funding.

The Financial Review, undertaken by Prince George's County Public Schools (PGCPS), would repurpose \$6,192,534 in Unrestricted Instructional Salaries due to salary lapse and \$27,164,191 in Restricted Student Personnel Services, Student Transportation Services, and Other Instructional Costs due to future grant revalidation.

These decreases are partially offset by Unrestricted Increases in the following:

- Administration – (\$1,124,886) to adjust a liability and a corresponding expense for federal and state payroll taxes owed based on the year-end accrual for the last pay period in FY 2023.
- Student Transportation Services – (\$1,467,614) budget realignment due to salary lapse.
- Maintenance of Plant – (\$603,002) due to financial restatement related to FY 2022 prior expenditures included on June 30, 2023.
- Capital Outlay – (\$2,997,032) to pay the developer for encumbered FY 2022 expenditures related to Public-Private Partnership (P3) projects.

The decreases noted above are also partially offset by Restricted Increases in the following:

- Administration – (\$1,300,000) due to recovery of indirect general and administrative costs.
- Student Health Services – (\$24,164,191) to cover mental health support from the ESSER III federal and Concentration of Poverty state grants.
- Capital Outlay – (\$1,700,000) to cover costs of capital projects approved in the ESSER III grant.

Exhibit A below details the current FY 2023 County Council Approved Budget, the FY 2023 Board of Education Approved Operating Budget, a summary of the Board of Education transfer request as of January 3, 2024, and the resulting anticipated major expenditure category appropriation totals should the County Council approve this transfer request.

Exhibit A
Prince George’s County Board of Education
FY 2023 Financial Review Transfer Request #3

Expenditures Major Categories	FY 20223 County Council APPROVED	FY 2023 Board of Education APPROVED <i>(March 3, 2023)</i>	FY 2023 Financial Review Transfer Request #3		Total Transfer	FY 2023 Board of Education REVISED
			Unrestricted	Restricted		
Administration	\$82,869,800	\$72,798,905	\$1,124,886	\$1,300,000	\$2,424,886	\$75,223,791
Instructional Salaries	868,535,200	\$849,945,908	(6,192,534)	-	(\$6,192,534)	\$843,753,374
Student Personnel Services	58,948,200	\$51,226,352	-	(1,700,000)	(\$1,700,000)	\$49,526,352
Student Transportation Services	124,457,500	136,846,764	1,467,614	(7,804,619)	(\$6,337,005)	\$130,509,759
Operation of Plant	163,856,100	163,425,186	-	-	-	\$163,425,186.00
Maintenance of Plant	58,565,100	64,035,170	603,002	-	\$603,002	\$64,638,172
Community Services	5,749,400	8,986,879	-	-	-	\$8,986,879.00
Fixed Charges	497,491,500	503,887,361	-	-	-	\$503,887,361.00
Health Services	24,867,400	30,254,248	-	24,164,191	\$24,164,191	\$54,418,439
Special Education	339,212,900	336,118,578	-	-	-	\$336,118,578.00
Mid-Level Administration	156,490,300	165,599,206	-	-	-	\$336,118,578.00
Textbooks & Instructional Materials	53,524,600	65,420,340	-	-	-	\$65,420,340.00
Other Instructional Costs	173,393,200	176,325,513	-	(17,659,572)	(\$17,659,572)	\$158,665,941
Food Services Subsidy	7,074,800	6,418,360	-	-	-	\$6,418,360.00
Capital Outlay & Private Public Partnership	15,175,000	28,400,000	2,997,032	1,700,000	\$5,922,032	\$33,097,032
Total Expenditures	\$2,630,211,000	\$2,659,688,770	\$-	\$-	\$	\$2,659,688,770

Prepared by David Noto, Legislative Budget and Policy Analyst – 17 January 2024.