

Board Action Summary

An Outline of the Interim Superintendent's Recommendation to the Board of Education

New Program: Yes No X

Modified Program: Yes X No

Subject: Reconciliation of FY26 Approved Operating Budget to Final State Aid Calculation

Abstract and Highlights: On June 26, 2025, the Board of Education (BOE) adopted the FY 2026 Board of Education Approved Operating Budget totaling \$2,960,705,651 for both revenues and expenditures and then submitted the budget to the County Executive and County Council.

Subsequent to the Board of Education approving its Approved Budget, final State aid calculations were released that required a change in both budgeted revenue by source and expenditures by major category. This change is due to the new treatment of Private Prekindergarten Providers for Prince George's County residents. In past fiscal years, the State would appropriate revenue to Prince George's County Public Schools through the County for private PreK providers. For this current fiscal year, the County will directly pay the private providers on behalf of the school district. As a result, the County is also presenting a supplemental budget moving approximately \$2M from education to non-departmental.

In addition, the State aid calculation includes the County share of the Blueprint Coordinator as supplemental instead of in the minimum County contribution. As such, the education effort total is currently overstated in the budget. An adjustment of \$34K is needed to accurately reflect the State share of revenue.

The costs associated with these revenue decreases will be removed to balance the budget. As a result, other Instructional Costs will be reduced by \$2M.

Budget Implications: (\$2,032,022) (FY 2026)

Staffing Implications: None

School(s) Affected: None

Preparation Date: September 18, 2025

Person Preparing: Shavonne Smith, Director of Budget & Management Services

Board Agenda Introduction Date (Budget Consent): September 25, 2025

Board Action Date (Budget Consent): September 25, 2025

Endorsed: _____

Lisa Howell
Chief Financial Officer

Endorsed: _____

[Signature]
Chief of Staff

Approved: _____

[Signature]
Interim Superintendent of Schools

PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS
Upper Marlboro, Maryland 20772

RESOLUTION

WHEREAS, on June 26, 2025, the Board of Education adopted the FY 2026 Board of Education Approved Operating Budget totaling \$2,960,705,651, for both revenues and expenditures; and

WHEREAS, modifications were necessary to align with the State Operating Budget and the County's supplemental Operating Budget;

THEREFORE, BE IT RESOLVED, that the Board of Education of Prince George's County accepts the Interim Superintendent's recommendations to reconcile the budget; and

BE IT FURTHER RESOLVED, that the Board of Education of Prince George's County accepts the resulting FY 2026 Board of Education Revised Operating Budget totaling \$2,958,673,629; and

BE IT FINALLY RESOLVED, that the Board of Education of Prince George's County authorizes the Interim Superintendent to submit the FY 2026 Board of Education Revised Operating Budget to the County Council outlining the reduction of revenue for County and State sources, as well as the reduction of budgeted expenditures in a major category as summarized below:

REVENUE	FY 2026 Board of Education APPROVED	FY 2025 Financial Review Transfer Request			FY 2026 Board of Education REVISED
	(June 26, 2025)	Unrestricted	Restricted	Total Transfer	(September 25, 2025)
Board Sources	\$ 31,575,391	\$ -	\$ -	\$ -	\$ 31,575,391
County Sources	969,590,100	(1,997,479)	-	(1,997,479)	967,592,621
Federal Sources	137,579,433	-	-	-	137,579,433
State Sources	1,726,960,727	(34,543)	-	(34,543)	1,726,926,184
Use of Fund Balance	95,000,000	-	-	-	95,000,000
Revenue Total	\$ 2,960,705,651	\$ (2,032,022)	\$ -	\$ (2,032,022)	\$ 2,958,673,629

EXPENDITURES MAJOR CATEGORIES	FY 2026 Board of Education APPROVED	FY 2025 Financial Review Transfer Request			FY 2026 Board of Education REVISED
	(June 26, 2025)	Unrestricted	Restricted	Total Transfer	(September 25, 2025)
Administration	\$ 104,559,702			\$ -	\$ 104,559,702
Mid-Level Administration	199,067,814			-	199,067,814
Instructional Salaries	994,116,265			-	994,116,265
Textbooks & Instructional Materials	52,704,964			-	52,704,964
Other Instructional Costs	165,992,352	(2,032,022)		(2,032,022)	163,960,330
Special Education	374,731,540			-	374,731,540
Student Personnel Services	78,030,250			-	78,030,250
Student Health Services	49,236,050			-	49,236,050
Student Transportation Services	141,516,735			-	141,516,735
Operation of Plant	162,417,903			-	162,417,903
Maintenance of Plant	69,871,167			-	69,871,167
Fixed Charges	534,418,447			-	534,418,447
Food Services	835,524			-	835,524
Community Services	6,206,938			-	6,206,938
Capital Outlay	27,000,000			-	27,000,000
Total Expenditures by Category:	\$ 2,960,705,651	\$ (2,032,022)	\$ -	\$ (2,032,022)	\$ 2,958,673,629

Submitted by:	<u>Dr. Shawn Joseph, Interim Superintendent</u>
Prepared by:	<u>Shavonne Smith, Director of Budget & Management Services</u>
Agenda Date:	<u>September 25, 2025</u>
Discussion:	_____
Consent Agenda:	_____
Budget Consent:	<u>September 25, 2025</u>
Emergency:	_____
Amended:	_____
Deferred:	_____
Tabled:	_____
Approved by the Board:	_____