

# Board of Education - Fiscal Year 2021 Budget Review Summary

## Proposed FY 2021 Operating Budget

Expenditures by Fund Type							
Fund	FY 2020 Approved	FY 2020 Estimated	FY 2021 Proposed	4/20/2020 CEX Adjustment	FY 2021 Revised Proposed	\$ Change	% Change
Administration	\$ 83,659,800	\$ 87,702,900	\$ 90,535,400	\$ (306,000)	\$ 90,229,400	\$ 6,569,600	7.85%
Instructional Salaries	\$ 744,349,500	\$ 745,645,400	\$ 789,983,100	\$ (2,670,200)	\$ 787,312,900	\$ 42,963,400	5.77%
Student Personnel Services	\$ 30,020,300	\$ 31,273,500	\$ 32,714,700	\$ (110,600)	\$ 32,604,100	\$ 2,583,800	8.6%
Student Transportation Services	\$ 114,558,400	\$ 110,755,600	\$ 119,489,100	\$ (403,900)	\$ 119,085,200	\$ 4,526,800	4.0%
Operation of Plant	\$ 141,437,300	\$ 138,821,100	\$ 140,964,400	\$ (476,500)	\$ 140,487,900	\$ (949,400)	-0.7%
Maintenance of Plant	\$ 46,026,100	\$ 43,933,400	\$ 48,589,300	\$ (164,200)	\$ 48,425,100	\$ 2,399,000	5.2%
Community Services	\$ 4,223,300	\$ 3,868,600	\$ 4,598,500	\$ (15,500)	\$ 4,583,000	\$ 359,700	8.5%
Fixed Charges	\$ 422,548,400	\$ 447,417,300	\$ 454,279,200	\$ (1,535,500)	\$ 452,743,700	\$ 30,195,300	7.1%
Health Services	\$ 23,905,900	\$ 23,580,700	\$ 24,633,100	\$ (83,300)	\$ 24,549,800	\$ 643,900	2.7%
Special Education	\$ 298,363,900	\$ 301,993,000	\$ 315,646,200	\$ (1,066,900)	\$ 314,579,300	\$ 16,215,400	5.4%
Mid-Level Administration	\$ 131,596,200	\$ 136,984,400	\$ 143,353,600	\$ (484,600)	\$ 142,869,000	\$ 11,272,800	8.6%
Textbooks and Instructional Materials	\$ 44,023,800	\$ 21,243,700	\$ 20,353,100	\$ (68,800)	\$ 20,284,300	\$ (23,739,500)	-53.9%
Other Instructional Costs	\$ 96,472,600	\$ 87,423,000	\$ 95,204,100	\$ (321,800)	\$ 94,882,300	\$ (1,590,300)	-1.6%
Food Services Subsidy	\$ 1,612,400	\$ 2,155,300	\$ 5,195,700	\$ (17,600)	\$ 5,178,100	\$ 3,565,700	221.1%
Capital Outlay	\$ 325,000	\$ 325,000	\$ 325,000	\$ (1,100)	\$ 323,900	\$ (1,100)	-0.3%
<b>Total</b>	<b>\$ 2,183,122,900</b>	<b>\$ 2,183,122,900</b>	<b>\$ 2,285,864,500</b>	<b>\$ (7,726,500)</b>	<b>\$ 2,278,138,000</b>	<b>\$ 95,015,100</b>	<b>4.4%</b>

Authorized Staffing - All Classifications				
	FY 2020 Approved	FY 2021 Proposed	Change	% Change
General Fund	19,591	20,061	470	2.4%
<b>Total</b>	<b>19,591</b>	<b>20,061</b>	<b>470</b>	<b>2.4%</b>

## Key Changes from the Approved FY 2020 Budget

- In March 2020, the County Executive proposed a \$2,285,864,500 budget for the Board of Education. This budget included increased revenue of \$102,741,600, or 4.7% above the FY 2020 Approved Budget and included the following major items:
  - Increased Base Changes: Carryover (FY 20) negotiated compensation commitment costs (\$6.2M)
  - Increased Mandatory Costs: Negotiated compensation commitments (\$76.2M); Charter Schools (\$13.4M); Non-public placements (\$11.4M)
  - Increased Cost of Doing Business: Student Based Budgeting resources (\$18.0M); Health and Life insurance costs (\$6.6M); Lease Purchase commitments (\$4.8M); Part-time resources (\$0.9M)
  - Increased Program Continuations: Expansion of Pre-Kindergarten to full-day (\$2.0M); Immersion programs and P-TECH schools (\$1.4M)
  - Decreased resources: Reallocation of resources due to salary lapse, attrition, and reductions in selected programs and services throughout the School System (-\$38.2M)

## Highlights

- Longevity step provided in FY 2020 for all employees employed with PGCPSS through the Great Recession (2008-2010).
- During FY 2020 redirected \$2.4M to support school improvements through a Central Office reorganization.

# Board of Education - Fiscal Year 2021 Budget Review Summary

## Page 2

### Proposed FY 2021 -FY 2026 Capital Improvement Program

	Expended thru FY20	Proposed FY21 Capital Budget	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total Proposed CIP Funding
43 Projects	\$ 863,545,000	\$ 201,013,000	\$ 206,534,000	\$ 187,034,000	\$ 195,136,000	\$ 206,932,000	\$ 196,266,000	\$ 2,056,460,000

### Highlights

- Funded by General Obligation Bonds (77.4%); State bond funds (21.7%), and Other funding (0.9%)
- Key Projects: William Wirt MD Demolition and Replacement; New Glenridge Area Middle School #2; Cherokee Lane ES; and William Schmidt Educational Center

### County Executive's Recommended Adjustment and Other Effects of the Pandemic

- *Economic factors caused a downward adjustment of anticipated revenues resulting in a proposed budget adjustment in April 2020 by the County Executive. This resulted in a \$7,726,500 decrease in the County Contribution to the Board of Education. The Adjusted Proposed Budget is now \$2,278,138,00 as reflected above.*
- *The County Contribution to the Board exceeds Maintenance of Effort by approximately \$460,000*
- *Decreases in revenues and discretionary spending as a result of school closings*
- *Increase in federal funding through specialized COVID-19 grant programs*
- *Continuity of Learning Plan for Distance Learning – lack of access to technology and internet recourses for some students*
- *Maintenance of student achievement and long-term effect on graduation rate*



# THE PRINCE GEORGE'S COUNTY GOVERNMENT

## Office of Audits and Investigations

April 28, 2020

### MEMORANDUM

TO: Todd M. Turner, Chair  
Prince George's County Council

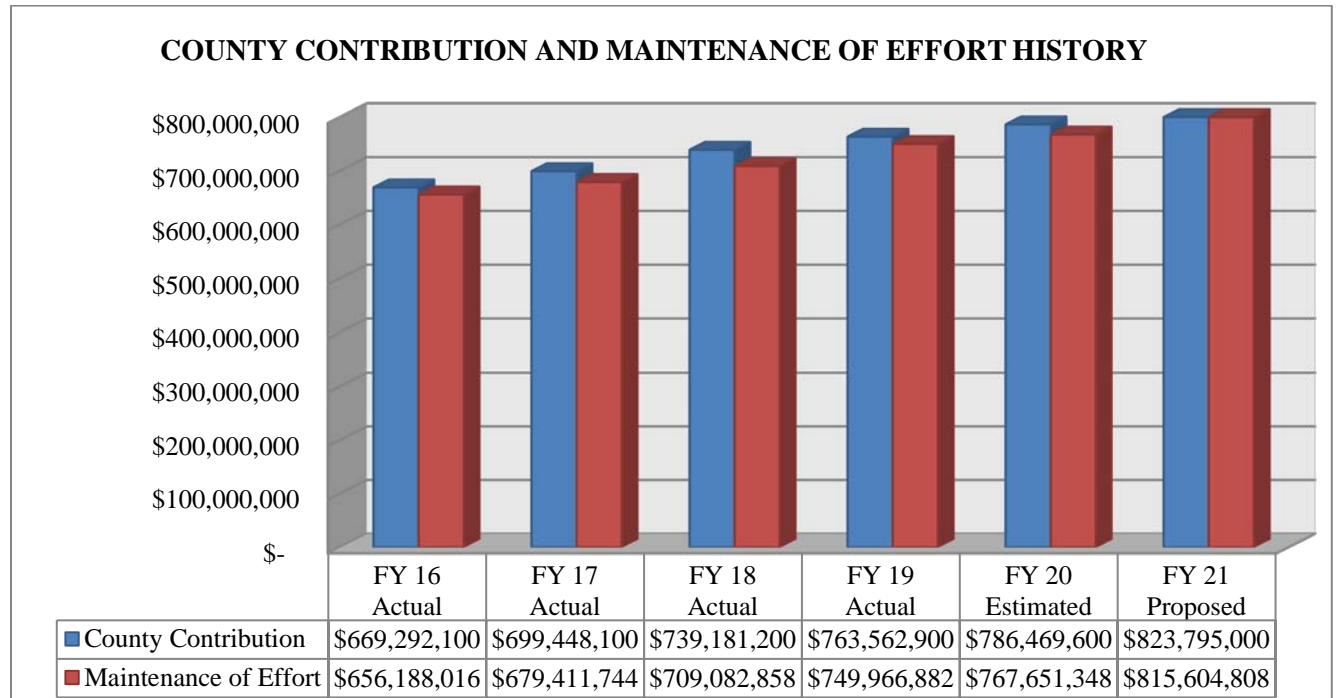
THRU: David H. Van Dyke, County Auditor *DHV*

FROM: Inez N. Claggett, Senior Legislative Budget and Policy Analyst *TJC*

RE: Board of Education  
Fiscal Year 2021 Budget Review

#### Budget Overview

The County Executive's FY 2021 Proposed Budget (the "Proposed Budget") for the Board of Education (the "Board" or "BOE") totals \$2,285,864,500, an increase of \$102,741,600, or 4.7%, over the approved budget for FY 2020. The Proposed Budget is \$16,361,100, or 0.7%, less than the Board of Education's Requested Budget of \$2,302,225,600. The FY 2021 Maintenance of Effort (MOE) requirement is \$815,604,808.

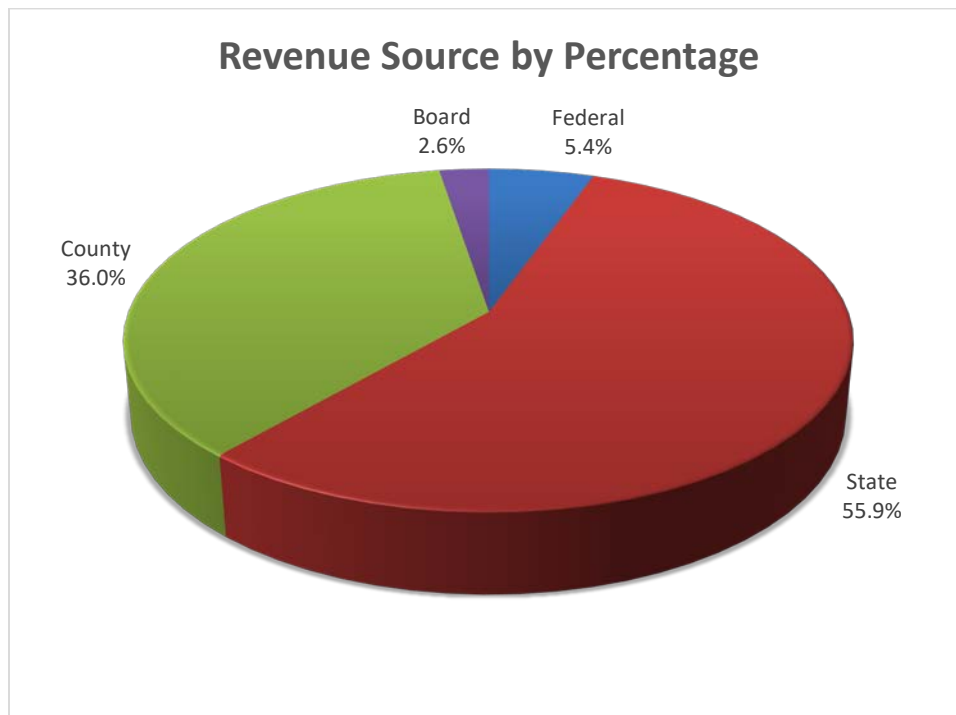


Source	FY 2019 Actual	FY 2020 Approved	FY 2021 Proposed	Amount Change	% Change
<u>Federal Sources:</u>					
Unrestricted Federal Aid	\$ 98,140	\$ 80,000	\$ 98,200	\$ 18,200	22.8%
Restricted Federal Aid (R)	88,413,394	124,407,300	124,407,300	\$ -	0.0%
<b>Subtotal Federal Sources</b>	<b>88,511,534</b>	<b>124,487,300</b>	<b>124,505,500</b>	<b>\$ 18,200</b>	<b>0.0%</b>
<u>State Sources:</u>					
Foundation Program	\$ 539,619,273	\$ 549,243,400	\$ 567,228,400	\$ 17,985,000	3.3%
Geographic Cost of Education Index	43,072,564	44,290,300	45,949,500	\$ 1,659,200	3.7%
Special Education	43,258,533	46,094,500	47,576,000	\$ 1,481,500	3.2%
Nonpublic Placements	22,595,875	23,863,800	23,863,800	\$ -	0.0%
Transportation Aid	41,559,037	44,368,600	45,654,500	\$ 1,285,900	2.9%
Compensatory Education	286,326,195	289,088,400	298,831,800	\$ 9,743,400	3.4%
Limited English Proficiency	107,414,841	113,918,800	126,626,600	\$ 12,707,800	11.2%
Net Taxable Income - Adjustment	29,288,485	27,763,500	29,908,800	\$ 2,145,300	7.7%
Guaranteed Tax Base	1,294,260	-	-	\$ -	0.0%
Supplemental Grant and Other State Aid	20,057,223	20,505,700	20,505,700	\$ -	0.0%
Tax Increment Financing	-	3,061,100	519,900	\$ (2,541,200)	0.0%
Kirwan - Prekindergarten		14,026,900	15,555,600	\$ 1,528,700	
Kirwan - Teacher Salary Incentives		13,386,100	13,386,100	\$ -	
Kirwan - Concentration of Poverty (R)		11,197,500	16,174,100	\$ 4,976,600	
Kirwan - Mental Health Coordinators (R)		83,300	83,300	\$ -	
Kirwan - Special Education (R)		10,114,900	10,114,900	\$ -	
Kirwan - Transitional Supplemental Instruction (R)		4,819,600	4,819,600	\$ -	
Other Restricted Grants (R)	4,024,975	12,046,600	12,046,700	\$ 100	0.0%
<b>Subtotal State Sources</b>	<b>\$ 1,138,511,261</b>	<b>\$ 1,227,873,000</b>	<b>\$ 1,278,845,300</b>	<b>\$ 50,972,300</b>	<b>4.2%</b>
<u>County Sources:</u>					
General County Sources	501,060,173	515,399,432	535,861,400	\$ 20,461,968	4.0%
Real Property/BOE - Tax Increase	36,854,709	37,467,800	38,629,300	\$ 1,161,500	3.1%
Personal Property/BOE - Tax Increase	3,255,374	3,336,900	3,403,600	\$ 66,700	2.0%
Telecommunications Tax	20,835,371	23,559,268	20,002,000	\$ (3,557,268)	-15.1%
Energy Tax	83,870,176	78,719,400	93,304,400	\$ 14,585,000	18.5%
Transfer Tax	117,687,097	127,986,800	132,594,300	\$ 4,607,500	3.6%
<b>Subtotal County Sources</b>	<b>\$ 763,562,900</b>	<b>\$ 786,469,600</b>	<b>\$ 823,795,000</b>	<b>\$ 37,325,400</b>	<b>4.7%</b>
<u>Board Sources:</u>					
Board Sources	20,454,257	16,293,000	19,393,000	\$ 3,100,000	19.0%
Board of Education Fund Balance	-	28,000,000	39,325,700	\$ 11,325,700	40.4%
<b>Subtotal Board Sources</b>	<b>\$ 20,454,257</b>	<b>\$ 44,293,000</b>	<b>\$ 58,718,700</b>	<b>\$ 14,425,700</b>	<b>32.6%</b>
<b>TOTAL</b>	<b>\$ 2,011,039,952</b>	<b>\$ 2,183,122,900</b>	<b>\$ 2,285,864,500</b>	<b>\$ 102,741,600</b>	<b>4.7%</b>

**Proposed Budget Revenue**

- Total revenue from all funding sources for FY 2021 is proposed to increase by \$102,741,600, or 4.7%, over the FY 2020 approved level mainly due to increases in formula driven State Aid, the proposed increase in the County's contribution to the Board of Education and an anticipated increase in use of the Board's prior year Fund Balance as a funding source.
- Total Federal Aid for FY 2021 is proposed at \$124,505,500, an increase of \$18,200, over the FY 2020 approved budget due to an anticipated increase in Federal Impact Aid. Federal funding comprises 5.4% of the Board's total proposed funding.
- Total State Aid for FY 2021 is anticipated to be \$1,278,845,300, an increase of \$50,972,300, or 4.2%, over the FY 2020 approved level. This increase is mainly due to enrollment growth and the resulting increase in formula driven aid. State Aid comprises 56.0% of the Board's total proposed funding.
- The FY 2021 proposed County Contribution to the Board of Education is \$823,795,000, an increase of \$37,325,400, or 4.7%, over the FY 2020 approved budget. The increase is mainly attributable to an increase in Maintenance of Effort as a result of increased student enrollment, and the additional \$8,190,200 in support proposed above maintenance of effort for FY 2021. County source revenue comprises 36.0% of the Board's total proposed funding.
- The County Contribution is composed of County revenue from the various sources discussed below:
  - All revenue from the County's transfer tax and energy tax are earmarked for the School System.
  - Net proceeds of the telecommunications tax are dedicated to the School System with a caveat that 10% of the net proceeds be utilized to fund school renovation and systemic replacement projects.
  - During FY 2016, the County Council enacted increases in the Real Property, Personal Property and Telecommunications Tax Rates which are dedicated entirely to the School System.
    - The Real Property Tax Rate increased from \$0.96 per \$100 of assessable real property value, to \$1.00 per \$100 of assessable real property value. For FY 2021, the rate increase is proposed to generate an estimated \$38.6 million in revenue for the School System.
    - The Personal Property Tax Rate increased from \$2.40 per \$100 of assessable value to \$2.50 per \$100 of assessable value. For FY 2021, the rate increase is proposed to generate an estimated \$3.4 million in revenue for the School System.
    - The Telecommunications Tax Rate increased from 8% to 9% and was budgeted to provide additional revenue for the School System. However, telecommunications tax revenue for FY 2021 is projected to decline by approximately \$3.6 million less than the previous fiscal year's estimated level, as a result of the continued market shift from landlines to wireless services.

- Under Council Bill 33-2015, the County Council requires 50% of annual local gaming revenue, as defined within the legislation, received by the County from video lottery facilities be dedicated for public education purposes. For FY 2021, \$12,629,900 is proposed to be provided to the Board of Education from annual local gaming revenue to support operations and is reflected within the County Contribution.
- The Board of Education is proposing to use \$39,325,700 of their total fund balance as a revenue source for FY 2021. This amount is an increase of \$11,325,700, or 40.4% over the prior year amount. As of June 30, 2019, the Board of Education's total Fund Balance was \$228,089,060, of which \$50,035,759 was unassigned.



### **Proposed Budget Expenditures**

- FY 2021 total proposed expenditures increase by \$102,741,600, or 4.7 %, over the FY 2020 approved budget. This increase is attributable to anticipated salary improvements in various collective bargaining units, the additional allocation of student-based budgeting staffing resources, increases in operational expenditures to support academic excellence, safe and supportive environments, and family and community engagement, as well as the purchase of additional and replacement equipment.

<b>Change in Expenditures, by Category</b>					
<b>Category</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Approved</b>	<b>FY 2021 Proposed</b>	<b>Amount Change</b>	<b>% Change</b>
Administration	\$ 60,131,928	\$ 83,659,800	\$ 90,535,400	\$ 6,875,600	8.2%
Mid-Level Administration	125,400,733	131,596,200	143,353,600	\$ 11,757,400	8.9%
Instructional Salaries	679,195,667	744,349,500	789,983,100	\$ 45,633,600	6.1%
Textbooks and Instructional Materials	18,729,851	44,023,800	20,353,100	\$ (23,670,700)	-53.8%
Other Instructional Costs	94,660,283	96,472,600	95,204,100	\$ (1,268,500)	-1.3%
Special Education	285,712,742	298,363,900	315,646,200	\$ 17,282,300	5.8%
Student Personnel Services	20,437,006	30,020,300	32,714,700	\$ 2,694,400	9.0%
Health Services	17,473,865	23,905,900	24,633,100	\$ 727,200	3.0%
Student Transportation Services	107,829,139	114,558,400	119,489,100	\$ 4,930,700	4.3%
Operation of Plant	126,437,917	141,437,300	140,964,400	\$ (472,900)	-0.3%
Maintenance of Plant	47,299,674	46,026,100	48,589,300	\$ 2,563,200	5.6%
Fixed Charges	401,992,561	422,548,400	454,279,200	\$ 31,730,800	7.5%
Food Services Subsidy	-	1,612,400	5,195,700	\$ 3,583,300	222.2%
Community Services	3,137,128	4,223,300	4,598,500	\$ 375,200	8.9%
Capital Outlay	100,000	325,000	325,000	\$ -	0.0%
<b>Totals</b>	<b>\$ 1,988,538,494</b>	<b>\$ 2,183,122,900</b>	<b>\$ 2,285,864,500</b>	<b>\$ 102,741,600</b>	<b>4.7%</b>

- FY 2021 Proposed expenditures for Instructional Salaries are estimated to increase by \$45,633,600, or 6.1%, when compared to the previous year's approved budget. The increase is anticipated to support the proposed increase in full-time positions, and funds reserved for proposed negotiated compensation increases for employee costs in this expense category.
- Fixed Charges expenditures are proposed to increase by \$31,730,800, or 222.2%, when compared to the previous year's approved budget. The increase is due to health insurance rate adjustments, an increase in employee benefit costs associated with proposed employee negotiated compensation commitments, Student Based Budgeting staffing changes, and the Charter school expansion.
- Special Education expenses are proposed to increase by \$17,282,300, or 5.8%, when compared to the previous year's approved budget to support proposed negotiated compensation increases for employee costs within this category, and Non-Public placement funds to support students that require a Free and Appropriate Education (FAPE) outside of Prince George's County Public Schools.
- Proposed Mid-Level Administration expenditures increase by \$11,757,400, or 8.9%, to support proposed negotiated compensation increases for employees within this category.
- Textbook and Instructional Materials are proposed to decrease by \$23,670,700, or 53.8%, to align with the actual decrease in spending on classroom teacher supplies, a realignment of funds for testing supplies, and a cost reduction in textbooks.
- Other Instructional Costs are proposed to decrease by \$1,268,500, or 1.3%, due to reductions in lease purchase principal payments as a result of the early payoff of lease purchase agreements offset by enrollment increases for existing Charter schools, and the launch of a new Charter school.

**Staffing Changes**

- Proposed staffing for FY 2021 totals approximately 20,061 positions, an increase of 470 positions over the number of positions budgeted for FY 2020. The most significant increase in the number of positions occurs within the Teacher category.

<b>Operating Staffing, by Position Type</b>			
<b>Positions by Classification</b>	<b>Approved FY 2020</b>	<b>Proposed FY 2021</b>	<b>Change</b>
Superintendent, Chiefs, Administrators, Area Assistant Superintendents	16	15	(1)
Directors, Coordinators, Supervisors, Specialists	445	459	14
Principals	217	217	-
Assistant Principals	312	317	5
Teachers	9,708	10,013	305
Therapists	171	173	2
Guidance Counselors	370	376	6
Librarians	128	127	(1)
Psychologists	95	101	6
Pupil Personnel Workers, School Social Workers	61	65	4
Nurses	234	234	-
Other Professional Staff	352	365	13
Secretaries and Clerks	865	884	19
Bus Drivers	1,448	1,441	(7)
Aide - Paraprofessionals	2,222	2,290	68
Other Staff	2,947	2,984	37
<b>Total Operating Positions</b>	<b>19,591</b>	<b>20,061</b>	<b>470</b>

- The Board's FY 2021 Requested Budget includes \$6,854,568 for carryover compensation costs related to FY 2020. The Board is committed to provide \$43,184,072 in step increases, \$25,201,956 in COLAs, and \$4,668,748 in Board Certified Stipends. All union contracts have been ratified through June 30, 2021, or 2022, however SEIU has a re-opener clause for the salary portion of their contract for FY 2021. School System staff are anticipating reaching an agreement by July 1, 2020. A breakdown of compensation enhancements by union has been provided in the table below.



<b>FY 2021 Negotiated Compensation Commitments</b>						
<b>Union</b>	<b>Current Contract Ends</b>	<b>FY 2020 Step/COLA Carryover Cost</b>	<b>FY 2021 Step Increase</b>	<b>FY 2021 COLA</b>	<b>FY 2021 Board Certified Stipends</b>	<b>Totals</b>
ASASP II	June 30, 2021	\$ -	\$ 3,863,257	\$ 2,097,255	\$ 875,000	\$ 6,835,512
ASASP III	June 30, 2021	-	1,493,864	916,119	1,743,608	\$ 4,153,591
SEIU	June 30, 2021	559,386	*	*	*	\$ 559,386
ACE/AFSCME	June 30, 2022	6,295,182	13,242,833	4,675,167	32,000	\$ 24,245,182
PGCEA	June 30, 2022	-	24,150,127	17,244,516	2,018,140	\$ 43,412,783
Non-represented		-	433,992	268,899	*	702,891
<b>Totals</b>		<b>\$ 6,854,568</b>	<b>\$ 43,184,073</b>	<b>\$ 25,201,956</b>	<b>\$ 4,668,748</b>	<b>\$ 79,909,345</b>

\*= Not yet settled. Negotiations are in progress.

**Cost per Pupil and Enrollment**

- For FY 2021, the cost-per-pupil is projected to be \$16,015, an increase of \$301 per pupil, over the FY 2020 approved level, for students enrolled in Pre-K through 12<sup>th</sup> grade. The cost-per-pupil calculation is based on the State formula and excludes equipment, community services and outgoing transfers from total school-system costs. The cost-per-pupil may fluctuate based upon the County Council approved budget provided to the Board of Education.
- In FY 2021, the School System is anticipating enrollment of 138,267 full-time students (Pre-K through 12<sup>th</sup>), an increase of 2,305 students, or 1.7% over the FY 2020 actual enrollment. Kindergarten through high school full-time enrollment is projected to total 132,535, an increase of 1,856 students.
- The Pre-School student population is projected to total 5,732 students, a projected increase of 449 Pre-School students. The number of full-time enrolled students attending a Nonpublic School is projected to remain flat at 960 students. Additional enrollment figures are provided in the Pupil Population chart below.

<b>Pupil Population</b>					
	<b>FY 2019 Actual as of 9/30/2018</b>	<b>FY 2020 Actual as of 9/30/2019</b>	<b>FY 2021 Projected as of 3/5/2020</b>	<b>Change from FY 2020 Actual to FY 2021 Projected Number      Percent</b>	
<b>Full-Time</b>					
Kindergarten @ 100%	9,652	9,952	10,393	441	4.4%
Elementary Grades 1 to 6	61,434	62,161	62,008	(153)	-0.2%
Middle School Grades 7 and 8	19,312	20,385	21,139	754	3.7%
High School Grades 9 to 12	37,126	38,181	38,995	814	2.1%
<b>Total Regular and Special Education</b>	<b>127,524</b>	<b>130,679</b>	<b>132,535</b>	<b>1,856</b>	<b>1.4%</b>
<b>Pre-school</b>					
Prekindergarten	4,792	4,947	5,380	433	8.8%
Montessori	351	336	352	16	4.8%
<b>Total Pre-school</b>	<b>5,143</b>	<b>5,283</b>	<b>5,732</b>	<b>449</b>	<b>8.5%</b>
<b>Total Pre-K to 12 Enrollment</b>	<b>132,667</b>	<b>135,962</b>	<b>138,267</b>	<b>2,305</b>	<b>1.7%</b>
Nonpublic Schools for Disabled	934	960	960	-	0.0%
<b>Total Full-Time Enrollment</b>	<b>133,601</b>	<b>136,922</b>	<b>139,227</b>	<b>2,305</b>	<b>1.7%</b>
<b>Part-Time</b>					
Summer School:					
Regular Instructional Programs	6,693	6,693	6,693	-	0.0%
Extended School Year Services for Students with Disabilities	2,401	2,500	2,500	-	0.0%
<b>Total Summer School</b>	<b>9,094</b>	<b>9,193</b>	<b>9,193</b>	<b>-</b>	<b>0.0%</b>
Evening High School (1)	310	310	600	290	93.5%
Home and Hospital Teaching	530	431	500	69	16.0%
<b>Total Part-Time</b>	<b>9,934</b>	<b>9,934</b>	<b>10,293</b>	<b>359</b>	<b>3.6%</b>

(1) Some Evening High School student enrollment numbers are also included in grades 9 - 12 full-time.

### **School Facilities**

- For FY 2021, the School System will operate 210 facilities which includes 121 elementary schools, 13 academies, 52 secondary schools, 7 special centers, 12 charter schools and 5 other facilities.
- The FY 2021 to FY 2026 Capital Improvement Program (CIP) proposes \$146,944,000 in funding for various Capital Improvement projects approved by the BOE for FY 2021. A review of the BOE's FY 2021 to FY 2026 Proposed Capital Improvement Program will be provided in a separate report to the County Council's Committee of the Whole.

**FY 2021 Board of Education Requested Budget Fiscal Highlights**

*(Please note – Amounts may not total due to rounding)*

- **Base Changes** of \$6.21 million for FY 2021 are proposed with the number of full-time equivalent (FTE) positions remaining flat.
- **Mandatory Costs** are expenditures that are required by law and support contract commitments. These costs are anticipated to increase by \$101.01 million, including an additional 113.00 FTE positions and are summarized below:
  - \$13.40 million for Charter Schools, an increase of 113.00 FTEs
  - \$76.19 million for Negotiated Compensation Commitments
  - \$11.42 million for Special Education Services Budget Supplement
- **Costs of Doing Business** are expenditures which provide essential health/safety services and maintains the existing workforce. These costs are anticipated to increase by \$38.52 million and will provide 204.30 additional FTE positions, as summarized below:
  - \$ 9.74 million for Health Insurance<sup>1</sup>
  - \$ 0.50 million for Life Insurance<sup>1</sup>
  - \$ 2.00 million for Food Service Subsidy<sup>2</sup>
  - \$ 4.85 million for Lease Purchase
  - \$ 2.50 million for Overtime<sup>2</sup>
  - \$ 0.89 million for Part-Time
  - \$18.04 million for Student/School Based Supports
- The School System reduced and **redirected resources** for a net decrease of \$38.20 million, and 9.00 FTEs, from programs and services on a system-wide basis to fund increases in the mandatory/costs of doing business and to fund organizational improvement increases:
  - (\$ 1.22) million for Academics
  - (\$ 0.02) million for Accountability
  - (\$ 0.04) million for Board of Education
  - (\$ 0.82) million for Business Management Services
  - \$ 0.00 million for Chief Executive Officer
  - (\$ 3.69) million for Chief of Staff
  - (\$ 1.36) million for Chief Operating Officer, a decrease of 6.00 FTEs
  - \$ 0.00 million for Communications & Community Engagement
  - (\$ 1.14) million for Human Resources
  - (\$ 1.29) million for Information Technology, a decrease of 2.00 FTEs
  - (\$ 1.04) million for Retirement
  - (\$29.71) million for Salary Lapse
  - \$ 3.80 million for School Support & Leadership
  - (\$ 0.92) million for Special Education & Student Services, a decrease of 1.00 FTE
  - (\$ 0.56) million for Terminal Leave

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<sup>1</sup> Item is partially funded within the County Executive's FY 2021 Proposed Budget

<sup>2</sup> Item is not funded within the County Executive's FY 2021 Proposed Budget

- (\$ 0.25) million for Unemployment
- Restricted Programs a decrease of 12.00 FTE positions
- **Program Continuations** reflect expenditures that provide for phased-in program implementations. These expenditures are anticipated to increase by \$3.38 million and will provide 41.00 FTE positions, as summarized below:
  - \$ 1.34 million for Immersion Programs
  - \$ 0.00 million for P-Tech Schools
  - \$ 1.96 million for Prekindergarten Expansion, an increase of 28.00 FTEs
- The School System anticipates expenditure increases totaling \$8.19 million, providing for 64.50 additional FTE positions for **organizational improvements** as summarized below:
  - Focus Area 1: Academic Excellence –
    - \$ 0.10 million for Academic Program Supports, an increase of 1.00 FTE
    - \$ 0.45 million for Career & Technical Ed, an increase of 4.00 FTEs<sup>2</sup>
    - \$ 0.13 million for Creative Arts, an increase of 1.00 FTE<sup>2</sup>
    - \$ 0.43 million for Special Education Staffing, an increase of 6.00 FTEs<sup>2</sup>
    - \$ 0.27 million for Student Services Staffing, 3.00 FTEs<sup>2</sup>
  - Focus Area 2: High-Performing Workforce –
    - \$ 0.14 million for Human Resources Staffing, an increase of 1.00 FTE<sup>2</sup>
    - \$ 0.08 million for Professional Development (formerly Talent Development)<sup>2</sup>
  - Focus Area 3: Safe and Supportive Environments –
    - \$ 4.93 million for Maintenance Contracts, an increase of 27.50 FTEs<sup>2</sup>
    - \$ 0.85 million for Security Equipment Upgrades for Schools, an increase of 13.00 FTEs<sup>2</sup>
    - \$ 0.25 million for Transportation, an increase of 4.00 FTEs<sup>2</sup>
  - Focus Area 4: Family and Community Engagement –
    - \$ 0.02 million for Communications<sup>2</sup>
    - \$ 0.01 million for Compliance<sup>2</sup>
  - Focus Area 5: Organizational Effectiveness –
    - \$ 0.41 million for Accounting & Financial Reporting<sup>2</sup>
    - \$ 0.00 million for Payroll Services<sup>2</sup>
    - \$ 0.10 million for Purchasing<sup>2</sup>

Programs and initiatives within the BOE's FY 2021 Requested Budget which are not proposed to be funded by the County Executive total \$16,361,100, or 0.7% of the total request. Details of the specific items are listed within the Board of Education's FY 2021 Requested Budget (pages 15-17) and are footnoted above.