





July 12, 2024

MEMORANDUM

TO: Jolene Ivey, Chair
Committee of the Whole (COW)

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: David Noto 
Legislative Budget and Policy Analyst

RE: Board of Education FY 2025 Approved Budget Reconciliation

The Board of Education (BOE) requests approval of the FY 2025 Operating Budget totaling \$2,903,629,469. This is an increase of \$92,422,988, or 3.2%, over the FY 2024 BOE's Approved Operating Budget and an increase of \$104,791,469 over the County Council Approved FY 2025 Operating Budget.

The County Contribution essentially remains constant at \$909,815,528, an increase of only \$28 from the original Council-approved level.

Subsequent to the Council's approval of the budget, additional Federal, State, and Board revenue was identified (see Exhibit B below).

1. Increases in Federal Sources of \$73,938,772.
 - An increase of \$70.4M due to the anticipated carryover of unspent grant funds for ESSER, Maryland Leads, and American Rescue Plan Supplemental, as well as the various entitlement grants.
 - An increase of \$5.2M for EPA School Bus Rebate (for bus electrification).
 - An increase of \$3.5M for Mental Health grants.
 - An increase of \$0.6M in other federal grants.
 - A reduction of \$4.9M in Special Education grants.
 - A reduction of \$0.9M in reserves for future grants.
2. Increases in State Sources of \$13,026,785.
 - An increase of \$6.3M due to the anticipated carryover of unspent grant funds for Concentration of Poverty (COP).
 - An increase of \$4.6M of Transitional Supplemental Instruction carryover.

- An increase of \$2.2M for Special Education Consolidated Local Implementation Grant to support early intervention for Infants and Toddlers with disabilities.
 - An increase of \$2.1M in the COP personnel grant.
 - An increase of \$1.5M from State unrestricted allocation.
 - An increase of \$96K in grant funding toward a Blueprint Coordinator included in the Governor's Supplemental budget.
 - A decrease of \$1.7M in the reserve for future state grants.
 - The removal of \$750K of COP personnel grants for Rose Valley and Concord Elementary schools, which are closing at the end of the school year.
3. Increases in Board Sources of \$17,825,884.
- An increase of \$18.2M due to higher than projected interest income.
 - A decrease of \$381K in the reserve for future grants.

Our review of the BOE's approved reconciling adjustments indicates that the budget reconciliation transfer request appears reasonable at no additional cost to the County.

Exhibit A below details the original FY 2024 County Council Approved Budget, the revised FY 2024 County Council Budget, the Proposed FY 2025 Budget, and the FY 2025 Approved budget.

Exhibit B outlines the breakdown of funding by revenue categories.

Exhibit C outlines the adjustments between the FY 2025 BOE Approved Budget and the County Council's Approved Budget by major administrative categories and the percent changes between the budgets.

Exhibit A
Prince George's County Board of Education
FY 2025 Budget Reconciliation

Expenditures Major Categories	FY 2024 APPROVED	FY 2024 REVISED	FY 2025 PROPOSED	FY 2025 REQUESTED	FY 2025 APPROVED
Administration	\$ 91,958,555	\$ 86,658,281	\$ 88,436,017	\$ 88,698,804	\$ 101,943,636
Mid-Level Administration	173,770,917	174,267,021	187,893,125	187,713,492	188,885,165
Instructional Salaries	934,229,601	898,041,697	958,383,361	960,422,800	935,423,074
Textbooks & Instructional Materials	40,191,133	40,028,633	39,245,329	52,340,512	50,669,338
Other Instructional Costs	166,539,545	201,436,627	142,922,824	157,102,642	168,562,642
Special Education	359,060,752	359,989,028	354,815,175	357,165,175	352,307,118
Student Personnel Services	67,633,916	58,378,500	54,494,093	53,050,436	80,836,705
Student Health Services	28,692,274	37,967,197	43,210,102	41,299,380	48,893,031
Student Transportation Services	145,156,894	150,299,153	139,998,752	137,198,480	144,257,328
Operation of Plant	157,710,683	157,539,675	154,828,000	155,202,000	168,884,803
Maintenance of Plant	74,788,851	65,485,314	71,031,224	71,031,224	80,168,880
Fixed Charges	531,519,483	529,457,798	549,753,332	549,437,038	545,964,978
Food Services Subsidy	6,626,606	6,548,185	3,760,600	3,760,600	2,881,817
Community Services	6,077,271	7,168,006	5,395,620	5,395,620	6,450,954
Capital Outlay & Private Public Partnership	27,250,000	40,250,000	41,296,000	41,296,000	27,500,000
Total Expenditures	\$ 2,811,206,481	\$ 2,813,515,115	\$ 2,835,463,554	\$ 2,861,114,203	\$ 2,903,629,469

Exhibit B
Prince George's County Board of Education
FY 2025 Budget Revenue Categories

Revenue Category	FY 2025 Council Council Approved Budget	FY 2025 Board of Education Approved Budget	Required Reconciling Adjustments
Federal Sources	\$ 145,440,300	\$ 219,379,072	\$ 73,938,772
State Sources	1,610,271,400	1,623,298,185	\$ 13,026,785
County Sources	909,815,500	909,815,528	\$ 28
Board Sources	13,310,800	31,136,684	\$ 17,825,884
Fund Balance	120,000,000	120,000,000	-
Revenue Total	\$ 2,798,838,000	\$ 2,903,629,469	\$ 104,791,469

Exhibit C
Prince George’s County Board of Education
FY 2025 Budget Reconciliation Adjustments

Expenditures by Category	FY 2025 Board of Education Approved Budget	FY 2025 County Council Approved Budget	Required Reconciling Adjustments	Percent Change
Administration	\$ 101,943,636	\$ 88,436,000	\$ 13,507,636	15.3%
Mid-Level Administration	188,885,165	187,893,100	\$ 992,065	0.5%
Instructional Salaries	935,423,074	958,383,400	\$ (22,960,326)	-2.4%
Textbooks & Instructional Materials	50,669,338	39,245,400	\$ 11,423,938	29.1%
Other Instructional Costs	168,562,642	142,922,800	25,639,842	17.9%
Special Education	352,307,118	354,815,200	(2,508,082)	-0.7%
Student Personnel Services	80,836,705	54,494,100	26,342,605	48.3%
Student Health Services	48,893,031	43,210,100	5,682,931	13.2%
Student Transportation Services	144,257,328	139,998,800	4,258,528	3.0%
Operation of Plant	168,884,803	154,828,000	14,056,803	9.1%
Maintenance of Plant	80,168,880	71,031,200	9,137,680	12.9%
Fixed Charges	545,964,978	513,127,700	32,837,278	6.4%
Food Services Subsidy	2,881,817	3,760,600	(878,783)	-23.4%
Community Services	6,450,954	5,395,600	1,055,354	19.6%
Capital Outlay & Private Public Partnership	27,500,000	41,296,000	(13,796,000)	-33.4%
Total Expenditures	\$ 2,903,629,469	\$ 2,798,838,000	\$ 104,791,469	3.7%

Prepared by David Noto, Legislative Budget and Policy Analyst – July 12, 2024.