

**PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY**

Meeting Date: 11/6/2001 **Reference No.:** CB-95-2001

Proposer: County Executive **Draft No.:** 1

Sponsors: Gourdine

Item Title: An Act regarding a supplementary appropriation to the General Fund in excess of budget estimates to provide funding for the Board of Education not anticipated in the Approved Fiscal Year 1999-2000 Budget, as amended

Drafter: Bruce Crawford
OMB

Resource Personnel: Dr. Kenneth H. Brown
Board of Education

LEGISLATIVE HISTORY:

Date Presented: 9/25/2001 **Executive Action:** 11/19/2001 S

Committee Referral: 9/25/2001 HEHS **Effective Date:** 1/4/2002

Committee Action: 10/9/2001 FAV

Date Introduced: 10/16/2001

Public Hearing: 11/6/2001 1:30 P.M.

Council Action: 11/6/2001 ENACTED

Council Votes: RVR:A, DB:A, JE:A, IG:A, TH:A, AS:A, PS:-, MW:A

Pass/Fail: P

Remarks: Retroactive to June 30, 2000

HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE

DATE: 10/9/01

Committee Vote: Favorable, 4-0-1, (In favor: Council Members Gourdine, Hendershot, Scott and Wilson, Abstained: Bailey)

Staff provided an overview of the Bill's intent. The budget revisions contained in the bill recognize additional outside resources received by the Board of Education. CB-95-2001 would amend the County's FY2000 budget, as amended, to reflect the receipt by the Board of Education of approximately \$14.1 million in outside revenues, primarily from grants, above levels contained in the FY2000 budget.

Upon review of the Board of Education's Comprehensive Annual Financial Report, the Acting County Auditor noted that the Board's final budget totaled \$14.1 million above the approved

budget. This was addressed during the Board of Education's budget worksession with the Council in April of 2001. Superintendent Metts was requested to request an appropriation increase or a transfer request for category changes to the FY2000 budget since the increase in the Board's FY2000 budget and the category changes will require approval by the Council.

In response to questioning from Committee members regarding the timelines of this request, Dr. Metts indicated that grants are applied for and received in various amounts throughout the fiscal year. She noted that depending on the type of grant, the funding may be earmarked. The Committee requested documentation of previous years grants (fiscal years 1996 to 2001) total amounts, matching funds and obligations if any.

Concern was expressed in general concerning the Council's role in approving BOE funding solicited by the BOE and through outside sources and is not a part of the County's general fund. The Legislative Officer explained that although the Board is the final authority on education matters, the County is the final authority on fiscal matters. The acceptance of grant funds usually involves the dedication of funds or in-kind assets that would be available for other purposes. Also, grants received after approval of the budget may make County funds appropriated for the same purpose available for appropriation for other Board priorities or other County priorities.

The County Executive supports CB-95-2001. The Office of Law finds CB-95-2001 to be in proper legislative form. The Office of Audits and Investigations determined that there should not be any negative fiscal impact on the County as a result of enacting CB-95-2001.

A technical amendment was made on page 2, line 3, deleting the parenthesis on the adjustments total.

BACKGROUND INFORMATION/FISCAL IMPACT
(Includes reason for proposal, as well as any unique statutory requirements)

This bill will authorize a supplementary appropriation of \$14,138,000 to the Board of Education for Fiscal Year 1999-2000. The source of funding is outside aid received at levels not anticipated in the budget. The Annotated Code of Maryland, Education Article, Section 5-105(c) provides for the expenditure of additional outside funds received by a board of education with the approval of the local county fiscal authority.

CODE INDEX TOPICS: