

PRINCE GEORGE'S COUNTY COUNCIL
COMMITTEE REPORT
2021 Legislative Session

Reference No.: LTR 06152021b
Draft No.: 1
Committee: COMMITTEE OF THE WHOLE
Date: 6/15/2021
Action: FAV

REPORT:

COW Vote: Favorable 10-0 (In favor: Council Members Taveras, Anderson-Walker, Davis, Dernoga, Franklin, Glaros, Harrison, Ivey, Streeter, and Turner). (Absent: Council Member Hawkins).

Staff gave an overview of the Prince George's County Public Schools FY 2021 Second Financial Review/Transfer Request that was transmitted to the Council on May 28, 2021 for their consideration. The Board approved the Second Financial Review on May 12, 2021.

Arian Albear, Legislative Budget & Policy Analyst, Office of Audits & Investigations provided a report on the FY 2021 Second Financial Review. In the Second Financial Review and Transfer Request of 25 March 2021, the Board of Education requests further realignment within the major categories to reflect actual spending and continue to close the funding gap. The request realigns \$21,801,651 in unrestricted funds and \$46,878,205 in restricted funds. Cost savings, many of which are also due to the COVID-19 pandemic were identified in the following categories: Administration, Instructional Salaries, Special Education, Student Personnel Services, Health Services, Student Transportation Services, Operation of Plant, Fixed Charges, and Community Services. These savings would be used to help close the funding gap between the County Council approved operating budget and the Board's approved operating budget and will be applied to early payments of the FY 2022 portion of the annual contribution toward "Other Post Employee Benefits (OPEB). In combination with the First Financial Review, savings will also be applied to close the \$12 million funding gap in the Food Service Subsidy. The overall budget will remain at \$2,319,506,234.

Michael Herbstman, Chief Financial Officer and Lisa Howell, Director, Budget and Management Services from PGCPs participated in the discussion and provided additional information on the Second Financial Review transfer request.

The COW voted favorable 10 – 0 to support the Board of Education’s FY 2021 Second Financial Review and Transfer Request. The letter of support for the Second Financial Review is scheduled on the June 15, 2021 County Council Agenda for approval.