

Board Action Summary

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

New Program: Yes No **X**

Modified Program: Yes **X** No

Subject: Fiscal Year 2024 Final Operating Budget Transfer

Abstract and Highlights: An independent audit of the school system's financial statements was conducted by CliftonLarsonAllen, LLP. Details of the audit will be presented in the Annual Comprehensive Financial Report (ACFR). The anticipated auditor's report will be based on the school system's basic financial statement, which includes all properly classified funds and other financial information required by generally accepted accounting principles.

The General Fund, which is the principal operating fund of the school system, closed with a total fund balance of \$373.91 million. The transfer requested herein reassigns \$1,142,788 from a category with unexpended appropriations authority remaining (Other Instructional Costs) to a category that exceeded appropriation levels (Fixed Charges). Prince George's County Public Schools participates in a Risk Management Fund (RMF) with four other Prince George's County members to provide coverage primarily for Workers' Compensation, General Liability, Auto Liability and Property claims. The RMF is a self-insurance entity funded by contributions of its participating members calculated on an actuarial basis. The FY 2024 actuarial report and year-end statement received in September outlined an unexpected increase in the valuation of losses as of June 30, 2024, requiring the categorical transfer. The appropriated budget total for FY 2024 of \$2,813,515,115 remains unchanged by this transfer.

The Public School Laws of Maryland require Board of Education and County Council approval of transfers between major categories. The resolution attached approves the recommended FY 2024 transfers between major categories and authorizes the Superintendent of Schools to request County Council approval. Board of Education approval of the resolution is recommended.

Budget Implications: None (All changes net to \$0)

Staffing Implications: 0.0 FTE

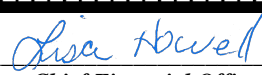
School(s) Affected: All Schools

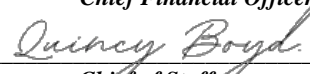
Preparation Date: October 16, 2024

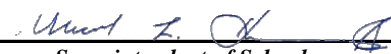
Person Preparing: Dana J. Estep, Supervising Budget Analyst

Board Agenda Introduction Date (Budget Consent): October 24, 2024

Board Action Date (Budget Consent): October 24, 2024

Endorsed: 
Chief Financial Officer

Endorsed: 
Chief of Staff

Approved: 
Superintendent of Schools

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

RESOLUTION

WHEREAS, the financial condition of the school system is regularly monitored throughout the fiscal year with adjustments made periodically to meet evolving needs of the school system and ensure fiscal stability; and

WHEREAS, a review of the financial condition of the school system indicates that expenditures are expected to meet current appropriated revenues; and

WHEREAS, no change in appropriation is requested; and

WHEREAS, the Public School Laws of Maryland require Board of Education and County Council approval of transfers between major categories;

THEREFORE, BE IT RESOLVED, that the Board of Education approves the recommended FY 2024 transfers between major categories identified in the Financial Review; and

FINALLY, BE IT RESOLVED, that the Board of Education authorizes the Superintendent to request County Council approval of transfers between major categories identified in the Financial Review, as summarized in the tables below:

EXPENDITURES MAJOR CATEGORIES	FY 2024 Board of Education REVISED	FY 2024 Post Close Transfer Transfer Request			FY 2024 Board of Education REVISED
	(September 26, 2024)	Unrestricted	Restricted	Total Transfer	(October 24, 2024)
Administration	\$ 83,462,493			\$ -	\$ 83,462,493
Mid-Level Administration	170,994,085			-	170,994,085
Instructional Salaries	876,118,989			-	876,118,989
Textbooks & Instructional Materials	65,264,939			-	65,264,939
Other Instructional Costs	209,919,238	(1,142,788)		(1,142,788)	208,776,450
Special Education	336,124,078			-	336,124,078
Student Personnel Services	46,129,972			-	46,129,972
Student Health Services	61,507,336			-	61,507,336
Student Transportation Services	176,801,941			-	176,801,941
Operation of Plant	151,425,715			-	151,425,715
Maintenance of Plant	64,938,125			-	64,938,125
Fixed Charges	505,061,710	1,142,788		1,142,788	506,204,498
Food Services	3,048,185			-	3,048,185
Community Services	5,342,019			-	5,342,019
Capital Outlay	57,376,290			-	57,376,290
Total Expenditures by Category:	\$ 2,813,515,115	\$ -	\$ -	\$ -	\$ 2,813,515,115

Submitted by:	<u>Millard House II, Superintendent</u>
Prepared by:	<u>Dana J. Estep, Supervising Budget Analyst</u>
Agenda Date:	<u>October 24, 2024</u>
Discussion:	_____
First Reader:	_____
Budget Consent Agenda:	<u>October 24, 2024</u>
Emergency:	_____
Amended:	_____
Deferred:	_____
Tabled:	_____
Approved by the Board:	_____