



June 15, 2021

Dr. Juanita Miller
Chair, Board of Education
Sasscer Administration Building
14201 School Lane
Upper Marlboro, MD 20772

Dear Dr. Miller:

In response to your and Dr. Goldson's letter dated May 28, 2021, the Prince George's County Council hereby approves the Board of Education's FY 2021 Operating Budget first financial review and transfer request. The County Council understands that this transfer is necessary to incorporate the changes approved by the Board of Education as a result of the School System Administration's financial review. The transfer is required to comply with State Law, as it realigns approved expenditure appropriations within the major expenditure categories to maintain fiscal stability; and it is a key component of the comprehensive plan to reconcile the FY 2022 Operating Budget.

The requested transfer realigns \$27,483,393 in unrestricted funds between major expenditure categories. Savings identified in a central office hiring freeze, districtwide overtime freeze, mid-year reductions in school budget allocations, utility savings, and additional centralized reductions in areas not required during the pandemic, including conference travel and professional development events, will be realigned to support the early payment of the FY 2022 portion of the 2019, 2020, and 2021 equipment lease-purchase agreements in addition to the 2011 energy performance management agreement.

Also, PGCPS used the remaining FY 2021 savings for a general fund subsidy to the Food and Nutrition Services fund (FNS). During the pandemic, the FNS fund was not sustainable due to fewer meals being served than typically would have been produced if all students were present for daily in-person instruction. This reduced federal revenues and point-of-sales revenues.

The transfer request increases funding in the following major categories: Textbooks & Instructional Materials, Other Instructional Costs, Special Education, Operation of Plant, Fixed Charges, and Food Services Subsidy. These increases in expenditure funding are offset by savings identified within the following categories: Administration, Mid-Level Administration, Instructional Salaries, Student Personnel Services, Health Services, Student Transportation Services, Maintenance of Plant and Community Services.

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FY 2021 Operating Budget
First Transfer Review & Request

The Board of Education's Approved FY 2021 Operating Budget remains at \$2,319,506,234, and the effect of the major expenditure category transfers approved by the County Council is shown on Exhibit A.

The County Council looks forward to continuing collaborative efforts with the Board of Education and Dr. Goldson to improve the educational opportunities for our students. If I can be of further assistance, please contact my office.

Sincerely

A handwritten signature in black ink, appearing to read "Calvin S. Hawkins, II". The signature is written in a cursive style with a horizontal line at the end.

Calvin S. Hawkins, II
Chair