



January 22, 2026

MEMORANDUM

TO: Shayla Adams-Stafford, Chair
Education and Workforce Development Committee

THRU: Arun Puracken, Director
Education and Workforce Development Committee

FROM: Caleb Callender
Legislative Budget and Policy Analyst

RE: Board of Education FY 2026 Financial Review & Transfer Request #1

The Board of Education requests authority to decrease appropriated funds between major expenditure categories to maintain a balanced budget and ensure fiscal stability throughout the end of the fiscal year. The projected total revenue and expenditures for FY26 will decrease to a total of \$2,958,673,629.

The Financial Review, undertaken by Prince George's County Public Schools (PGCPS), would decrease the funding for Other Instructional Costs by **\$2,032,022**. This decrease is due to the new treatment of Private Prekindergarten Providers for Prince George's County residents. Rather than the funding going through the Board of Education, the County will directly pay the private providers. This results in a transfer of County funds totaling **\$1,997,479** from the Board of Education to Nondepartmental section of the County budget.

Additionally, another adjustment of **\$34,543** is needed to correct an overstatement in State revenue, which will reclassify the Blueprint Coordinator's funding from "minimal contribution" to "supplemental".

Questions for Committee Consideration:

1. Could you share any additional information on why the State changed the funding flow for private prekindergarten providers, and if this is a one-time change?
2. Are there additional funding sources providing support for private Pre-K providers?
3. How many private pre-K providers or seats does this funding support, how are payments calculated, and does the funding reimburse existing enrollments or support new placements?
4. Discuss the \$34,543 adjustment which now results in a reclassification of the Blueprint Coordinator's funding status.

Exhibit A: Adjusted Revenue Projections

Revenue	FY 2026 Board of Education APPROVED	FY 2026 Financial Review & Transfer Request #1			FY 2026 Board of Education REVISED
		Unrestricted	Restricted	Total Transfer	
Board Sources	\$ 31,575,391	\$ -	\$ -	\$ -	\$ 31,575,391
County Sources	969,590,100	(1,997,479)	-	(1,997,479)	967,592,621
Federal Sources	137,579,433	-	-	-	137,579,433
State Sources	1,726,960,727	(34,543)	-	(34,543)	1,726,926,184
Use of Fund Balance	95,000,000	-	-	-	95,000,000
Revenue Total	\$ 2,960,705,651	(2,032,022)	-	\$(2,032,022)	\$2,958,673,629

Exhibit B: Adjusted Expenditure Projections

Expenditures Major Categories	FY 2026 Board of Education APPROVED	FY 2026 Financial Review & Transfer Request #1			FY 2026 Board of Education REVISED
		Unrestricted	Restricted	Total Transfer	
Administration	\$ 104,559,702			\$ -	\$ 104,559,702
Mid-Level Administration	199,067,814			-	199,067,814
Instructional Salaries	994,116,265			-	994,116,265
Textbooks & Instructional Materials	52,704,964			-	52,704,964
Other Instructional Costs	165,992,352	(2,032,022)		(2,032,022)	163,960,330
Special Education	374,731,540			-	374,731,540
Student Personnel Services	78,030,250			-	78,030,250
Student Health Services	49,236,050			-	49,236,050
Student Transportation Services	141,516,735			-	141,516,735
Operation of Plant	162,417,903			-	162,417,903
Maintenance of Plant	69,871,167			-	69,871,167
Fixed Charges	534,418,447			-	534,418,447
Food Services	835,524			-	835,524
Community Services	6,206,938			-	6,206,938
Capital Outlay	27,000,000			-	27,000,000
Total Expenditures	\$2,960,705,651			-	\$2,958,673,629