





June 06, 2023

MEMORANDUM

TO: Edward Burroughs, III, Chair
Education and Workforce Development (EWD) Committee

THRU: Turkessa M. Green
County Auditor 

FROM: Arian Albear
Legislative Budget and Policy Analyst 

RE: Board of Education FY 2023 Financial Review #2.

The Board of Education (BOE) requests authority to transfer appropriated funds between major expenditure categories to maintain a balanced budget and ensure fiscal stability through the end of the fiscal year and to preemptively reconcile the FY 2024 Operating Budget. Total revenue and expenditures remain at \$2,659,688,770. This is \$29,477,770 more than the original County Council Approved FY 2023 Budget due to the receipt of additional funding.

The Financial Review, undertaken by Prince George's County Public Schools (PGCPS) would repurpose \$2,650,750 in salary lapse recovery for other categories. Salary Lapses were primarily recovered from Instructional Salaries and Student Personnel Services, partially offset by increases in Student Health Services.

\$1.85 million of the total recovered would go toward Summer Program Preparation and \$800,000 would be reallocated toward Utility costs. Additional realignments in Restricted and Unrestricted allocations achieve balance in their respective totals.

An analysis of the appendices indicates that the explanations provided for the request appear reasonable and savings are reallocated to improve future program performance. If approved, \$5,360,995 in Unrestricted funds and \$44,014,500 in Restricted funds will be shifted among the major expenditure categories. The overall Operating Budget will remain balanced. Specific details of the transfer request between major expenditure categories are detailed within the attached documents labeled "Appendix A: Itemized Changes and Narrative Explanations" and "Appendix B: Sources and Uses of Funds by State Category" provided by PGCPS staff.

Exhibit A below details the current FY 2023 County Council Approved Budget, the FY 2023 Board of Education Approved Operating Budget, by expenditure categories, a summary of the Board of Education transfer request as of May 11, 2023, and the resulting anticipated major expenditure category appropriation totals should the County Council approve this transfer request.

Exhibit A

**Prince George's County Board of Education
 FY 2023 Financial Review Transfer Request #2**

Expenditures Major Categories	FY 2023 County Council APPROVED	FY 2023 Board of Education APPROVED <i>(March 23, 2023)</i>	FY 2023 Financial Review Transfer Request			FY 2023 Board of Education REVISED <i>(May 11, 2023)</i>
			Unrestricted	Restricted	Total Transfer	
Administration	\$ 82,869,800	\$ 87,912,690	\$ (1,108,014)	\$ (14,005,771)	\$ (15,113,785)	\$ 72,798,905
Instructional Salaries	868,535,200	852,224,329	(2,278,421)	-	(2,278,421)	849,945,908
Student Personnel Services	58,948,200	65,700,247	(857,030)	(13,616,865)	(14,473,895)	51,226,352
Student Transportation Services	124,457,500	115,915,940	(11,456)	20,942,280	20,930,824	136,846,764
Operation of Plant	163,856,100	171,591,166	2,215,881	(10,381,861)	(8,165,980)	163,425,186
Maintenance of Plant	58,565,100	60,115,808	-	3,919,362	3,919,362	64,035,170
Community Services	5,749,400	5,532,406	(5,895)	3,460,368	3,454,473	8,986,879
Fixed Charges	497,491,500	509,610,893	286,471	(6,010,003)	(5,723,532)	503,887,361
Health Services	24,867,400	25,358,857	1,075,000	3,820,391	4,895,391	30,254,248
Special Education	339,212,900	331,049,118	(768,146)	5,837,606	5,069,460	336,118,578
Mid-Level Administration	156,490,300	160,532,707	432,006	4,634,493	5,066,499	165,599,206
Textbooks & Instructional Materials	53,524,600	64,068,703	1,351,637	-	1,351,637	65,420,340
Other Instructional Costs	173,393,200	176,657,546	(332,033)	-	(332,033)	176,325,513
Food Services Subsidy	7,074,800	6,418,360	-	-	-	6,418,360
Capital Outlay & Private Public Partnership	15,175,000	27,000,000	-	1,400,000	1,400,000	28,400,000
Total Expenditures	\$ 2,630,211,000	\$ 2,659,688,770	\$ -	\$ -	\$ -	\$ 2,659,688,770

Prepared by Arian Albear, Legislative Budget and Policy Analyst – 07 June 2023.