

PRINCE GEORGE'S COUNTY COUNCIL
COMMITTEE REPORT
2021 Legislative Session

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

REPORT:

Committee Vote: Favorable 8-0 (In favor: Council Members Taveras, Davis, Dernoga, Franklin, Glaros, Harrison, Streeter, and Turner). (Absent: Council Members Hawkins, Ivey, and Anderson-Walker).

Staff gave an overview of the Prince George's County Public Schools FY 2021 First Financial Review and Transfer Request that was transmitted to the Council on May 28, 2021 for their consideration. The Transfer Request was approved by the Board on March 25, 2021.

Arian Albear, Legislative Budget & Policy Analyst, Office of Audits & Investigations provided a report on the FY 2021 First Financial Review and Transfer Request as of December 31, 2020. This transfer approval is required by State law in order to incorporate changes approved by the Board of Education. The request realigns \$27,483,393 in unrestricted funds. The cost savings, many of which are associated with the COVID-19 pandemic were identified in the following categories: Administration, Mid-Level Administration, Instructional Salaries, Student Personnel Services, Health Services, Student Transportation Services, Maintenance of Plant, and Community Services. These savings are projected to be used to 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 2019, 2020, and 2021 lease-purchase agreements in addition to the 2011 Energy Performance Management Agreement. Additional savings will also be applied to close the \$12 million funding gap in the Food Service Subsidy, an otherwise self-sustaining fund, which saw federal and point-of-service revenues decrease as a result of fewer meals being served to students due to distance learning. While these adjustments reflect changes within the categories, the overall budget will remain at \$2,319,506,234.

Michael Herbstman, Chief Financial Officer and Lisa Howell, Director, Budget and Management Services, PGCPs, participated in the work session providing additional information and responding to Council Members questions on the First Financial Review and Transfer Request.

The COW voted favorable 8 – 0 to support the Board of Education’s FY 2021 First Financial Review and Transfer Request. The letter of support is scheduled on July 15, 2021 for Council approval.