

Legislative Budget Analysis
Proposed FY 2017 Operating and Capital Budgets
Office of the County Auditor
Baltimore County, Maryland
May 16, 2016



Department of Education

Superintendent: Dr. S. Dallas Dance

Budget Office Analyst: Joy Schaefer

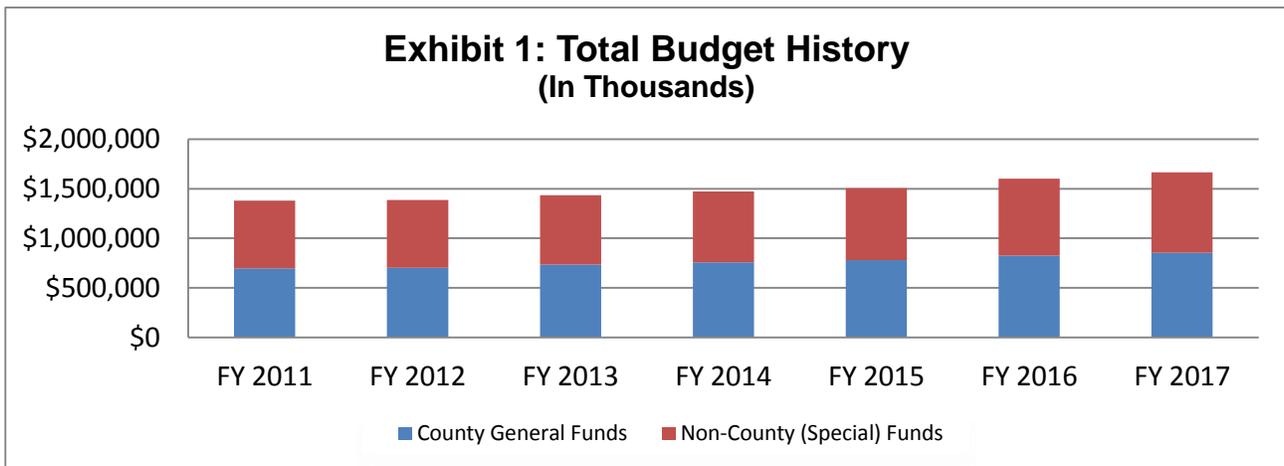
Legislative Analysts: Carrie Vivian & Michael Tasselmyer

Questions to Department Sent	Saturday, April 16
Responses Requested By	Tuesday, April 26
Responses Received	Friday, April 29*
Analysis Due for Review	Monday, May 9
Analysis Completed	Monday, May 16
* Most responses received by April 29; analysis considers all responses.	

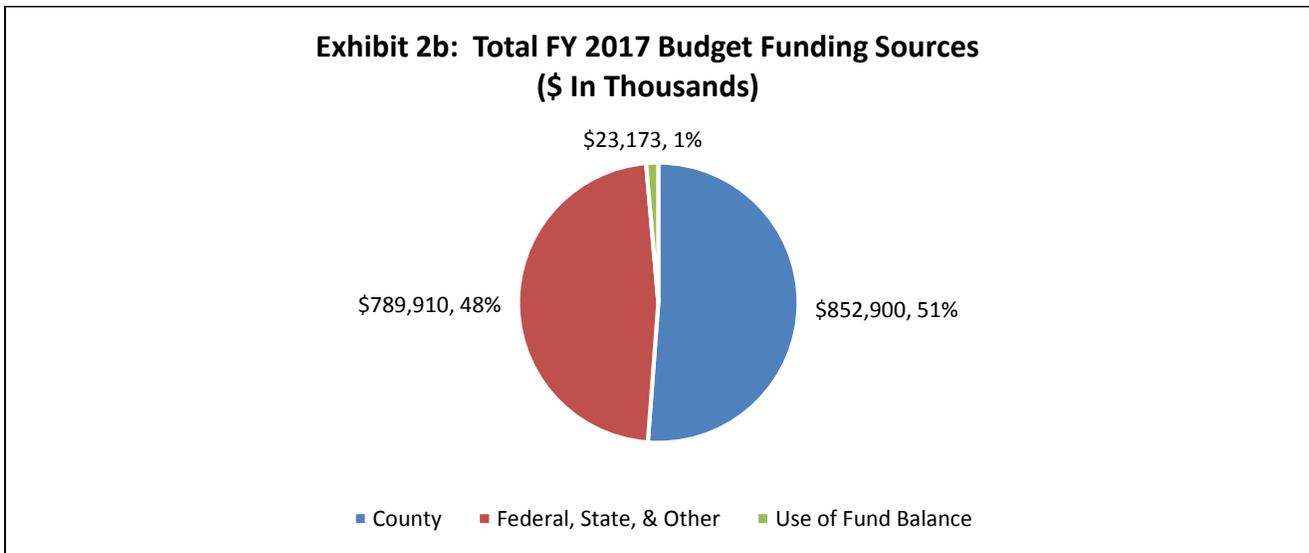
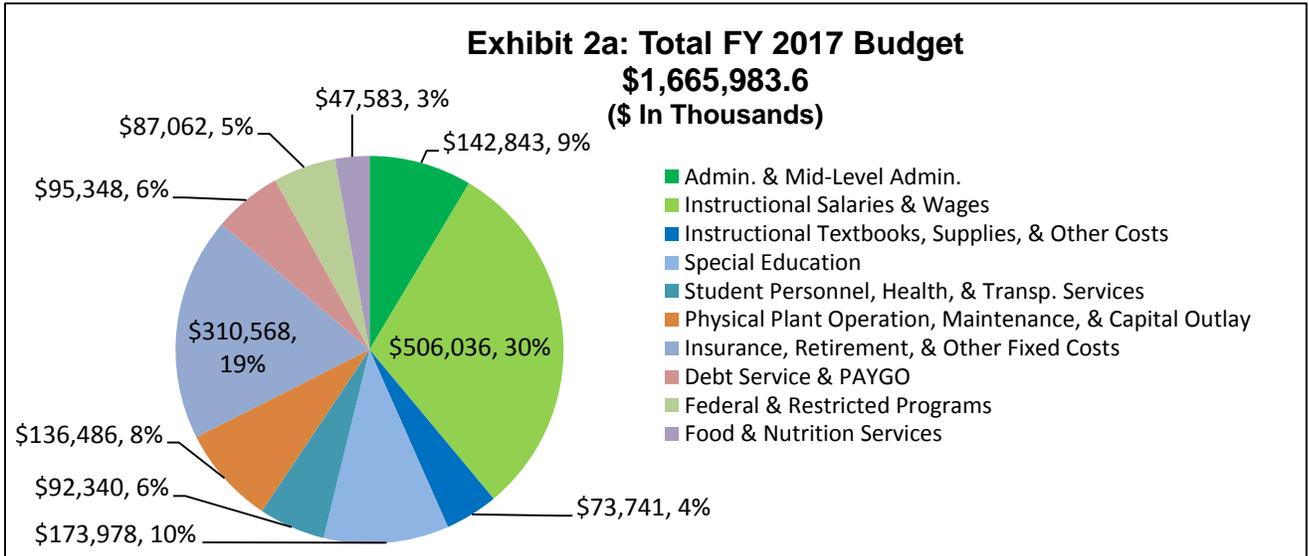
DEPARTMENT OF EDUCATION (035)

OPERATING BUDGET SUMMARY:

The County's proposed FY 2017 budget for the Baltimore County Public Schools (BCPS) totals \$1.7 billion and reflects growth of nearly \$65.6 million, or 4.1%, over the FY 2016 budget. The General Fund portion of the County's budget increases by \$28.9 million, or 3.5%, to meet the State's \$750.6 million Maintenance of Effort (MOE) requirement (\$8.4 million increase) and to provide for certain costs not subject to MOE, including \$48.1 million in debt service payments (\$7.3 million increase) and \$47.2 million in one-time contributions to the capital budget (\$12.8 million PAYGO increase). The Special Fund, or non-County portion of the budget, increases by \$36.7 million, or 4.7%, driven primarily by the State's education aid formulas. The proposed budget relies on the use of approximately \$23.2 million of BCPS's fund balance, which BCPS projects will total \$52.2 million at the end of FY 2016. BCPS projects that system-wide enrollment will increase by 1,225 students, or 1.1%, to 112,351 for the 2016-2017 school year; the MOE requirement addresses this increase on a per-pupil basis, maintaining County support of approximately \$7,008 per current-school-year FTE enrollment. The proposed budget exceeds the State's maintenance of effort requirement by \$483,859, which would increase the County's MOE requirement by \$5 per student for FY 2018. Total FY 2017 operating support per student is projected to total \$13,689. See Exhibits 1 through 4 for additional details, and Appendix C for the MOE calculation.



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Exhibit 3					
FY 2017 Proposed Budget (\$ in 000's)					
How Much it Grows:	General Fund (excl. PAYGO & Debt Svc.)	PAYGO & Debt Svc.	Total General Fund	Special Fund	Total
2016 Appropriation	\$ 748,849	\$ 75,181	\$ 824,030	\$ 776,394	\$ 1,600,424
2017 Request	757,552	95,348	852,900	813,084	1,665,984
\$ Increase/(Decrease)	\$ 8,703	\$ 20,167	\$ 28,870	\$ 36,690	\$ 65,560
% Increase/(Decrease)	1.2%	26.8%	3.5%	4.7%	4.1%
Where it Goes (Amounts Shown Reflect Increases or Decreases in Budgeted Funding):					
Personnel Expenses.....					\$ 19,773
2% COLA.....					15,709
Increments & Longevities.....					14,883
Net increase in BCPS General Fund positions (see Exhibit 4 for details).....					5,513
Misc. pay grade adjust. (e.g., inc. min.wage; inc. pay for substitutes; reclass secondary guid. counselor chairs)....					3,154
Pay grade change for bus drivers.....					730
Contracted security services (e.g., for Board of Ed. meetings, Raptor visitor identification system).....					150
Projected turnover due to retirements.....					(20,358)
Overtime and other salary adjustments.....					(8)
Personnel-Related Expenses.....					(882)
Healthcare.....					3,416
State Retirement System (employer contributions).....					2,230
Workers' compensation.....					1,769
FICA.....					1,061
County Retirement System (employer contributions).....					(11)
Reimbursement from Federal/Restricted program for State Retirement costs.....					(4,347)
OPEB.....					(5,000)
One-Time Expenses (Excluded from M.O.E.).....					(188)
Instructional materials and resources to implement new Maryland College and Career Ready curriculum.....					5,000
Start-up costs (e.g., library books, office supplies) for renovated Victory Villa and Lansdowne Elem. Schools.....					727
Replacement of district primary enterprise backup system for financial and H.R. data.....					390
New and replacement large capacity servers hosting financial and H.R. data.....					349
FY 2016 One-Time Expenses.....					(6,654)
Operating Expenses.....					20,350
Additional funding for S.T.A.T. program/digital conversion.....					13,376
Nonpublic placement costs due to enrollment and state fee/formula adjustments.....					2,262
IT equipment financing (to address mainly school-based maintenance and infrastructure needs).....					1,350
Diagnostic tools and supplemental resources for ELA, reading, and mathematics.....					1,324
Moving existing relocatables and costs for new relocatables due to enrollment and boundary changes.....					650
Preventative HVAC and other maintenance for additional square footage.....					568
Various software licensing fees.....					489
Property and casualty insurance.....					419
Facilities code req. & life/safety activities (i.e., Hereford H.S. wastewater system, playground maintenance).....					398
Early College Access programs (partnerships with CCBC) due to increased student participation.....					341
High speed data networking.....					327
Long term maintenance requirements for aging buildings.....					250
Water infiltration projects to address structural, safety, and air quality concerns (Denied M.O.E. Exclusion).....					250
Computer maintenance.....					200
ESOL program (non-salary costs).....					165
Replacement of air conditioning units for school-based server rooms (Denied M.O.E. Exclusion).....					163
Passport program (non-salary costs).....					80
Document translations.....					78
Utilities (due to lower projected consumption patterns).....					(398)
Bus, truck, and car leases/purchases.....					(845)
Rent due to closing of Scholars K-8 (former charter school).....					(1,120)
Diesel fuel.....					(2,238)
Other.....					2,261
Enterprise Fund					
Food & Nutrition Services.....					1,965
Restricted Grant Expenses					
Federal and Restricted Grants Program.....					4,375
Capital-Related Expenses					
PAYGO (\$12,835) and Debt Service (\$7,332).....					20,167
Total:					\$ 65,560

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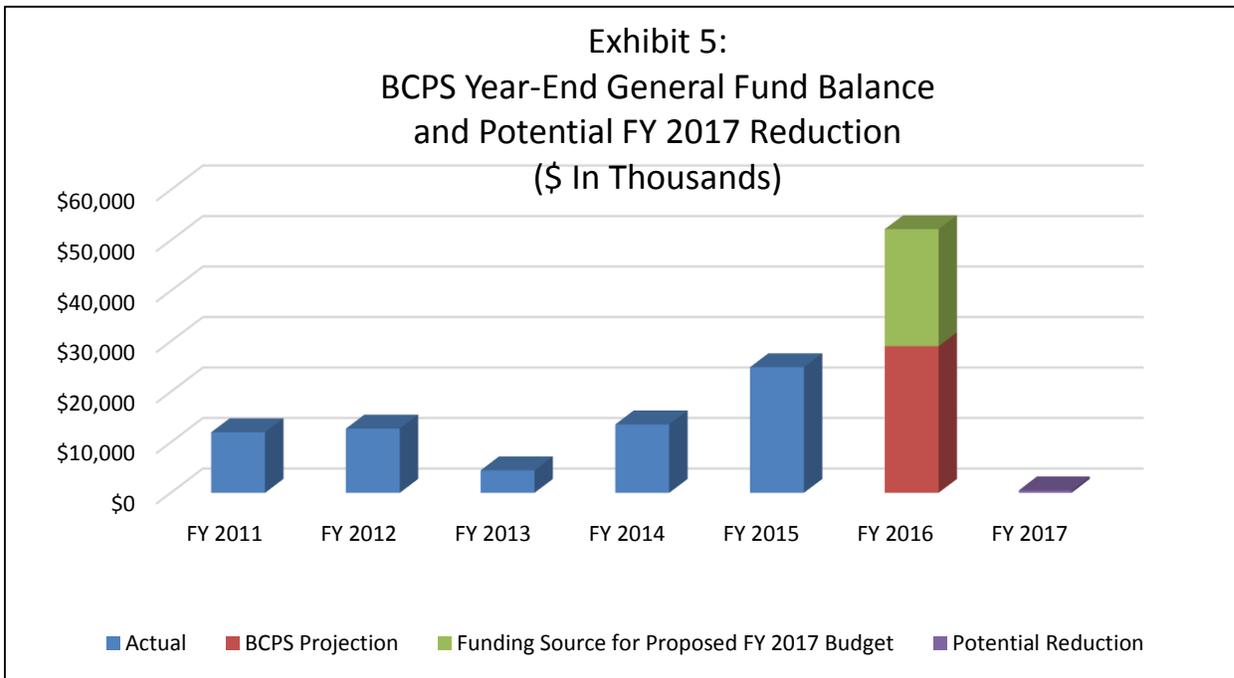
**Exhibit 4
FY 2017 Net Increase in BCPS General Fund Positions
(\$ in 000's)**

	<u>Amount</u>
104.7 New Positions	
76.6 Teaching positions based on enrollment increase	\$3,702
20.0 Special Education teaching positions	967
2.5 Maintain pre-k programs due to anticipated loss of state grant funds	142
2.0 Custodial support for additional square footage due to renovations.....	71
1.0 Magnet program support position	64
2.6 Health assistants	60
 30.6 Positions for Expanded Programs	
26.6 Positions for ESOL program	1,157
4.0 Positions for Passport program	193
 10.0 Redirected Positions (formerly contractual).....	0
7.0 Teaching positions for the Home and Hospital program	
2.0 Positions to support growth in the AVID program	
1.0 Specialist to ensure compliance with IDEA (Individuals with Disabilities Education Act)	
 Contractual Salaries/Stipends (non-FTE).....	(843)
 145.3 Net Increase in Positions	\$5,513

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POTENTIAL BUDGET REDUCTIONS

The proposed FY 2017 General Fund budget of \$852.9 million for BCPS is \$483,859 higher than the maintenance of effort (MOE) level of funding defined by state law and used by the State to determine local eligibility for increased state aid. Any reduction greater than \$483,859, except for items excluded from the MOE requirement, would be offset by the State redirecting County income tax revenues in the amount of the shortfall to BCPS. (A reduction of \$483,859 represents 0.1% of BCPS's proposed General Fund budget.) See Appendix C for details.



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Although BCPS did not provide FY 2016 spending projections (with the exception of salaries) by the time this analysis was completed, in recent years, several BCPS line items were budgeted significantly above actual reported expenditure levels on a consistent basis. **This analysis identifies several areas of “under-spending” – which totaled \$21.4 million in FY 2015, and suggests the maximum potential reduction possible (\$483,859) that would provide compliance with State MOE requirements.** The “under-spent” area of salaries (projected FY 2016 turnover savings of \$57.9 million) is presented separately in Issue #1, which begins on page 13.

Program 3501--Administration

1. Data Processing Software Rental (0424)

Schedule of Historical Spending--Data Processing Software Rental				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$3,487,154	\$2,945,723	84.5%	(\$541,431)
2014	\$7,422,283	\$4,690,975	63.2%	(\$2,731,308)
2015	\$5,970,780	\$5,829,674	97.6%	(\$141,106)
2016	\$5,609,252	Not provided	N/A	N/A
2017	\$6,894,381			

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Program 3502—Mid-Level Administration

2. Professional Services (0301)

Schedule of Historical Spending - Professional Services				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation/
2013	\$846,169	\$0	0.0%	(\$846,169)
2014	\$1,016,494	\$0	0.0%	(\$1,016,494)
2015	\$837,172	\$0	0.0%	(\$837,172)
2016	\$567,909	Not provided	N/A	N/A
2017	\$133,983			

3. Operational Supplies (0503)

Schedule of Historical Spending - Operational Supplies				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$3,274,978	\$531,973	16.2%	(\$2,743,005)
2014	\$3,381,675	\$578,971	17.1%	(\$2,802,704)
2015	\$3,095,523	\$497,972	16.1%	(\$2,597,551)
2016	\$1,866,344	Not provided	N/A	N/A
2017	\$2,515,488			

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Program 3504—Instructional Textbooks & Supplies

4. Operational Supplies (0503)

Schedule of Historical Spending - Operational Supplies				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$13,366,546	\$850,817	6.4%	(\$12,515,729)
2014	\$14,022,040	\$747,027	5.3%	(\$13,275,013)
2015	\$13,473,440	\$474,103	3.5%	(\$12,999,337)
2016	\$5,227,097	Not provided	N/A	N/A
2017	\$6,441,059			

Program 3505—Other Instructional Costs

5. Mileage and Expenses (0201)

Schedule of Historical Spending - Mileage & Expenses				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$242,464	\$215,599	88.9%	(\$26,865)
2014	\$337,589	\$201,277	59.6%	(\$136,312)
2015	\$350,047	\$256,066	73.2%	(\$93,981)
2016	\$534,353	Not provided	N/A	N/A
2017	\$505,456			

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6. Professional Services (0301)

Schedule of Historical Spending - Professional Services				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$2,618,064	\$582,180	22.2%	(\$2,035,884)
2014	\$2,499,095	\$593,177	23.7%	(\$1,905,918)
2015	\$2,644,846	\$599,247	22.7%	(\$2,045,599)
2016	\$1,552,844	Not provided	N/A	N/A
2017	\$878,372			

7. Operational Supplies (0503)

Schedule of Historical Spending - Operational Supplies				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$191,576	\$6,438	3.4%	(\$185,138)
2014	\$238,292	\$571	0.2%	(\$237,721)
2015	\$313,114	\$1,682	0.5%	(\$311,432)
2016	\$85,109	Not provided	N/A	N/A
2017	\$94,243			

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Program 3506—Special Education

8. Operational Supplies (0503)

Schedule of Historical Spending - Operational Supplies				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$402,946	\$25,647	6.4%	(\$377,299)
2014	\$369,814	\$39,148	10.6%	(\$330,666)
2015	\$324,052	\$22,480	6.9%	(\$301,572)
2016	\$319,507	Not provided	N/A	N/A
2017	\$289,624			

Program 3509—Student Transportation Service

9. Professional Services (0301)

Schedule of Historical Spending - Professional Services				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$483,980	\$16,927	3.5%	(\$467,053)
2014	\$494,051	\$15,000	3.0%	(\$479,051)
2015	\$367,404	\$15,000	4.1%	(\$352,404)
2016	\$215,542	Not provided	N/A	N/A
2017	\$246,408			

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Program 3511—Maintenance of Plant & Equipment

10. Motor Fuel (0535)

Schedule of Historical Spending - Motor Fuel				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$833,218	\$684,254	82.1%	(\$148,964)
2014	\$951,584	\$809,708	85.1%	(\$141,876)
2015	\$946,462	\$813,333	85.9%	(\$133,129)
2016	\$825,674	Not provided	N/A	N/A
2017	\$912,674			

Program 3512—Fixed Charges

11. Educational Assistance (0315)

Schedule of Historical Spending - Educational Assistance				
Fiscal Year	Budget/ Request	Actual Amount	% of Budg/Req.	Over/(Under) Appropriation
2013	\$4,750,000	\$3,982,040	83.8%	(\$767,960)
2014	\$5,022,225	\$3,747,509	74.6%	(\$1,274,716)
2015	\$5,022,225	\$3,398,265	67.7%	(\$1,623,960)
2016	\$4,381,237	Not provided	N/A	N/A
2017	\$4,500,000			

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ISSUES

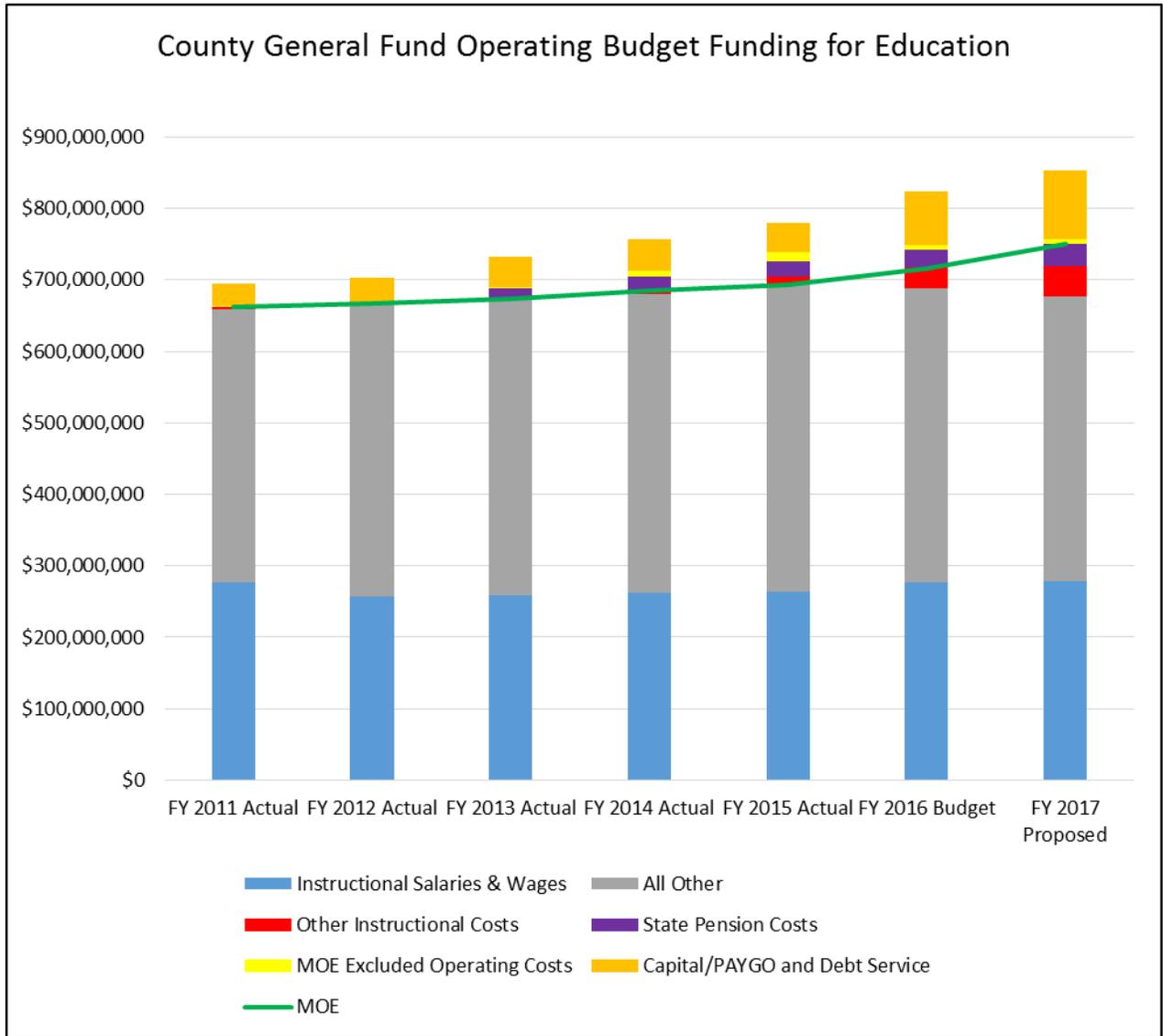
1. Budget Trends

The proposed FY 2017 budget includes \$579.8 million for instructional costs, which are funded in three separate programs, as follows:

<u>Program</u>	<u>Proposed FY 2017 Budget</u>
Instructional Salaries & Wages	\$506,035,577
Instructional Textbooks & Supplies	\$22,505,382
Other Instructional Costs	\$51,235,877

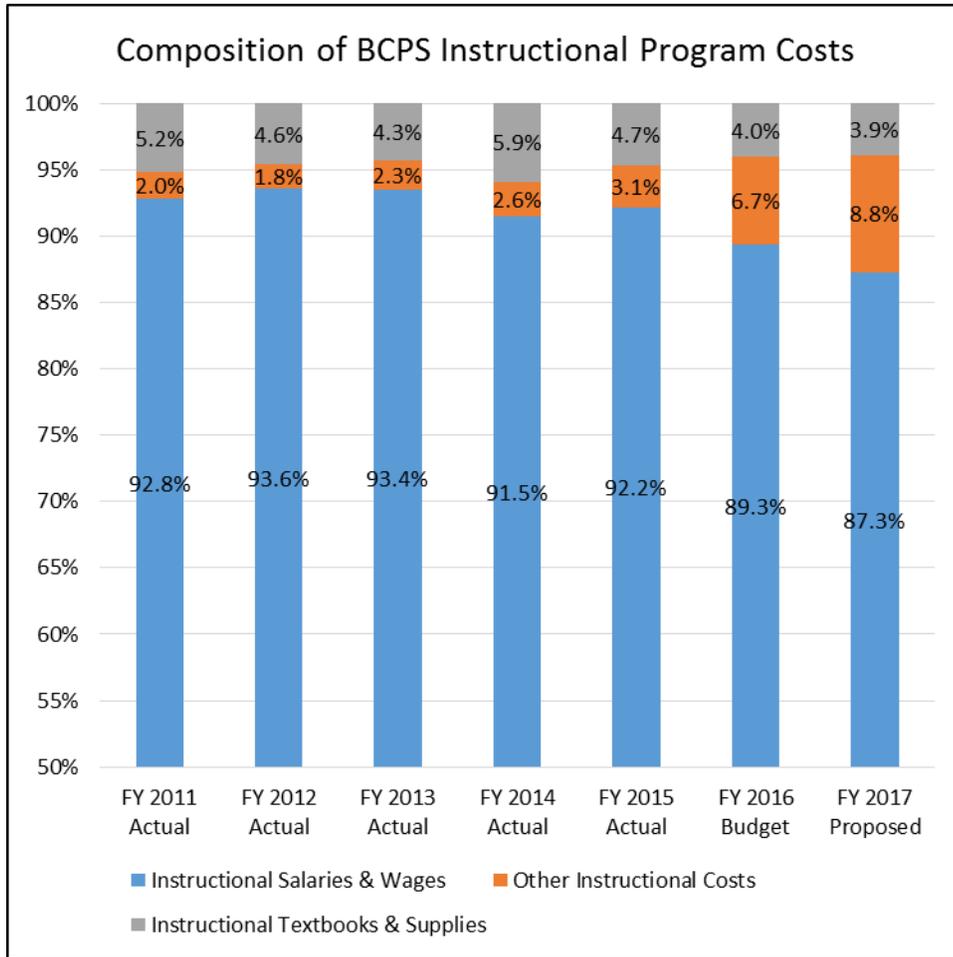
BCPS's budget for the Other Instructional Costs program has been growing in recent years due the digital conversion/S.T.A.T. program, while funding for the Instructional Salaries & Wages program has remained relatively flat, and funding for the Instructional Textbooks & Supplies program has declined. The following two charts illustrate how Baltimore County education funding priorities have changed over the last 7 years while County funding for BCPS's budget has remained at or close to the Maintenance of Effort level.

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During this period, in addition to funding the digital conversion/S.T.A.T. program costs, the school system’s budget has had to absorb significant salary enhancements (including a 5% COLA for teachers awarded by the County in FY 2016), teachers’ pension costs imposed by the State, and a gradual step-up in OPEB funding, which reached 100% of the actuarially recommended annual contribution level prior to the General Government’s accomplishment in FY 2015. These costs are all forced to “compete” with the costs of filling teacher positions and funding traditional instructional materials, which have, as noted, been “pinched” as a result.

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Student/Teacher Ratios and Class Sizes

BCPS advised that since SY 2015-2016 (when BCPS moved away from its tiered staffing approach), all schools of the same type (elementary, middle, or high) are initially allocated staffing utilizing the same student/classroom teacher ratios:

Staffing Allocation	
Grades K-2	1.0 teacher per 22.0 students
Grades 3-5	1.0 teacher per 25.0 students
Middle School	1.0 teacher per 19.7 students
High School	1.0 teacher per 20.9 students

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After receiving the initial allocation, school principals are permitted to request additional staffing from the pool of available FTEs; Assistant Superintendents analyze and prioritize the requests and allocate the additional staffing as necessary.

BCPS advised that its average class size (including special education classes) of 18.65 students is lower than the State average of 20.31 students; that only 18% of BCPS classes exceed 25 students; and that fewer than 5% of BCPS classes exceed 30 students.

System-wide Turnover

BCPS has experienced a high level of turnover in recent years. BCPS advised that turnover savings in FY 2015 totaled \$40.9 million, and BCPS currently projects that **FY 2016 turnover savings will total \$57.9 million (based on adopted budget salary amounts)**.

BCPS previously advised that inadequate funding levels have required the school system to hold open positions, with the affected positions mostly non-classroom teacher positions such as resource teachers, reading specialists, etc. (which do not typically count towards the school system's student-teacher ratio). According to a recent vacancy report provided by the school system, 211 school-based positions were vacant. Further, a number of subject-area leadership positions were vacant (3 of 6 positions in the World Languages Office; 2 of 3 positions in the Visual Arts Office; 1 of 2 positions in the Secondary Social Studies Office; etc.), and the school system's chief Risk Manager and Purchasing positions both remain unfilled.

BCPS should be prepared to discuss:

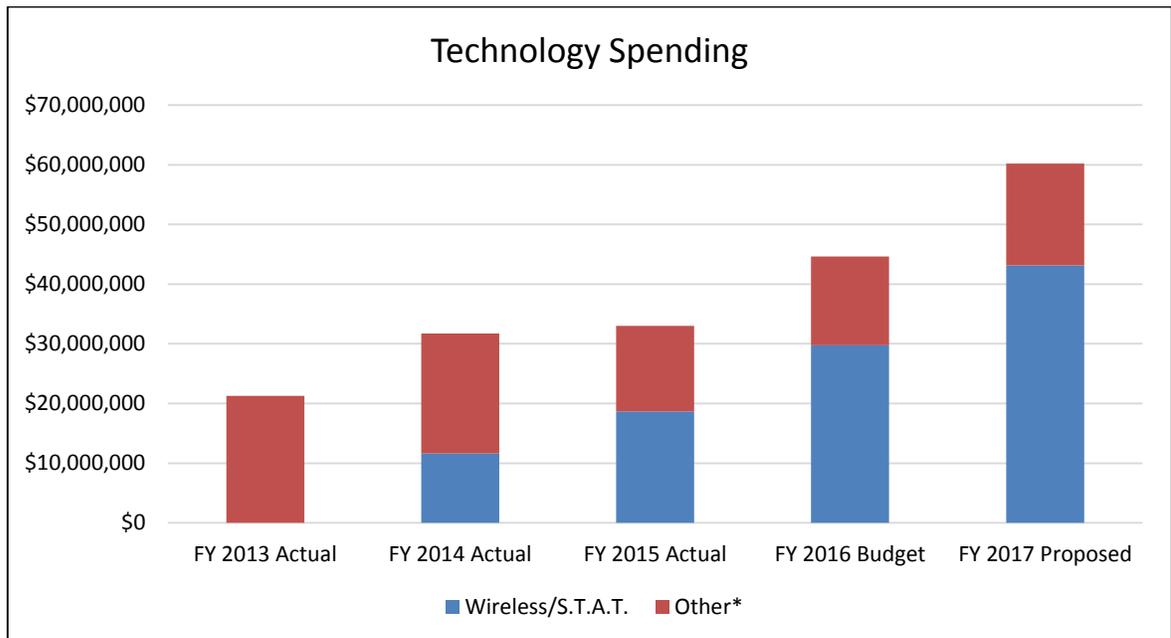
- ***Why its budget document does not align to its actual spending patterns in recent years for key instructional costs such as salaries and instructional supplies;***
- ***The opportunity costs of funding the digital conversion/S.T.A.T. initiative and why BCPS has chosen to prioritize this initiative over other competing funding needs;***
- ***How vacancy rates compare for different types of instructional program positions, noting which positions count towards the staffing allocation ratios and which do not;***
- ***What staffing ratios could be achieved if turnover savings were reduced by \$50 million;***

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- ***The instructional materials being utilized in schools with and without digital devices, and whether a summary of the school system’s curriculum/plan for learning at each grade level is available; and***
- ***How long the school system’s top Risk Management and Purchasing positions have been vacant, and the reasons for the delays in filling them.***

2. Technology

In recent years, BCPS has increased technology-related expenditures. BCPS provided the following information:



*Other includes Information Technology Department salary and non-salary expenses; includes both support of network systems and hardware for schools and offices; includes servers, hardware and software for central data centers and disaster recovery centers. Other also includes school based purchases of computers, whiteboards, servers, and hardware and software located on school sites. Excludes equipment purchased from grant funds.

The proposed FY 2017 budget includes \$43.2 million for the digital conversion/S.T.A.T. program. The S.T.A.T. program emerged in FY 2014, when BCPS utilized \$3.1 million in unbudgeted funding to purchase 8,500 digital devices and initiated a 7-year, \$205 million contract with Daly Computers. For FY 2015, the Council approved a budget that included \$2.1 million in additional

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funding needed for the program; the majority of the \$18.7 million in FY 2015 S.T.A.T. costs came from existing and redirected funding sources. For FY 2016, new funding of \$13.6 million was needed for the S.T.A.T. program, but the County's funding of BCPS was only \$1.8 million above MOE. This funding level required the school system to rely on other sources of funding (e.g., fund balance and redirected funding) to enable the initiative to continue.

As part of the digital conversion/S.T.A.T. initiative, each student and teacher are to receive a digital learning device (a Hewlett-Packard (HP) laptop computer/tablet combination) according to a specified rollout schedule. BCPS advised that the digital devices are currently being used in grades 1-3 in all elementary schools, grades K-5 at the 10 elementary Lighthouse Schools and Lyons Mill Elementary School, and grade 6 in the seven middle school Lighthouse Schools.

BCPS advised that during SY 2016-2017, the program will expand to include kindergarten and grades 4-5 in all elementary schools, all grade 6 classes, grade 7 in seven Lighthouse middle schools, and grades 9-12 in three new Lighthouse high schools. This plan represents a change in the device rollout schedule; during the FY 2016 budget process, BCPS had advised that all remaining elementary and middle school students would receive the devices in SY 2016-2017, and students in all high schools would receive the devices in SY 2017-2018.

BCPS advised that its FY 2017 General Fund cost of the digital conversion/S.T.A.T. initiative is approximately \$43.2 million. (BCPS advised that this figure has been adjusted to remove the planned purchase of projectors estimated to cost \$2.2 million due to the County Executive providing \$12.3 million of the requested \$14.5 million in additional County funding for FY 2017.) The FY 2017 General Fund cost is approximately \$2.7 million less than the \$45.9 million anticipated for FY 2017 when the digital conversion/S.T.A.T. initiative was originally presented in May 2014 and is approximately \$6.0 million less than anticipated for FY 2017 during the FY 2016 budget process.

During the FY 2016 budget process, BCPS advised that in FY 2018, when the program was to be fully implemented, the annual General Fund cost would be approximately \$61.5 million; however, BCPS now projects the FY 2018 cost to total approximately \$52.1 million. BCPS advised that it is in the process of updating its plans for the digital conversion/S.T.A.T. initiative for FY 2018 and FY 2019.

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The following schedule conveys the digital conversion/S.T.A.T. program BCPS General Fund budget and anticipated funding sources:

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Leased Device Cost	\$3,331,445	\$3,716,770	\$22,480,414	\$35,856,741	\$44,829,177	\$55,747,911
Curriculum Resources and Professional Development	\$4,251,697	\$6,301,672	\$7,301,672	\$7,301,672	\$7,301,672	\$7,301,672
Wireless Equipment	\$4,065,421	\$8,674,591	--	--	--	--
Total Project Cost	\$11,648,563	\$18,693,033	\$29,782,086	\$43,158,413	\$52,130,849	\$63,049,583
Existing Funding	\$8,065,421	\$8,000,000	\$10,053,339	\$23,699,733	\$35,954,541	\$43,840,521
BCPS Budget Realignment	\$3,490,104	\$4,547,306	\$6,083,118	\$7,220,444	\$8,306,901	\$8,768,121
One-Time Funding		\$4,000,000				
State Grant		\$347,750				
Additional Funding Needed	--	\$2,053,339	\$13,646,394	\$12,254,808	\$7,885,980	\$10,457,514
BCPS Budget Surplus	\$(93,038)	\$255,362	\$765	\$16,572	\$16,573	\$16,573

BCPS advised that additional special funds have been allocated toward the digital conversion/S.T.A.T. initiative, including a portion of the \$1.5 million W.K. Kellogg Foundation grant it received for the period January 2015 through December 2018.

BCPS provided the following schedule regarding student/computer ratios:

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Average Student/Computer Ratios			
	SY 2014-15	SY 2015-16	SY 2016-17 (Planned)
Lighthouse Elementary Schools	1:2	1:1	1:1
Non-Lighthouse Elementary Schools	N/A	1:2	1:1
Lighthouse Middle Schools 6 th Grade	1:12	1:1	1:1
Lighthouse Middle Schools 7 th & 8 th Grade	1:12	1:9	1:4
Non-Lighthouse Middle Schools	1:12	1:12	1:9
Lighthouse High Schools	1:18	1:10	1:1
Non-Lighthouse High Schools	1:18	1:10	1:10

BCPS advised that in schools where the digital devices have been issued as a 1:1 implementation, older computers have been removed. For lighthouse middle schools, computers previously used in grade 6 were moved to grades 7 and 8.

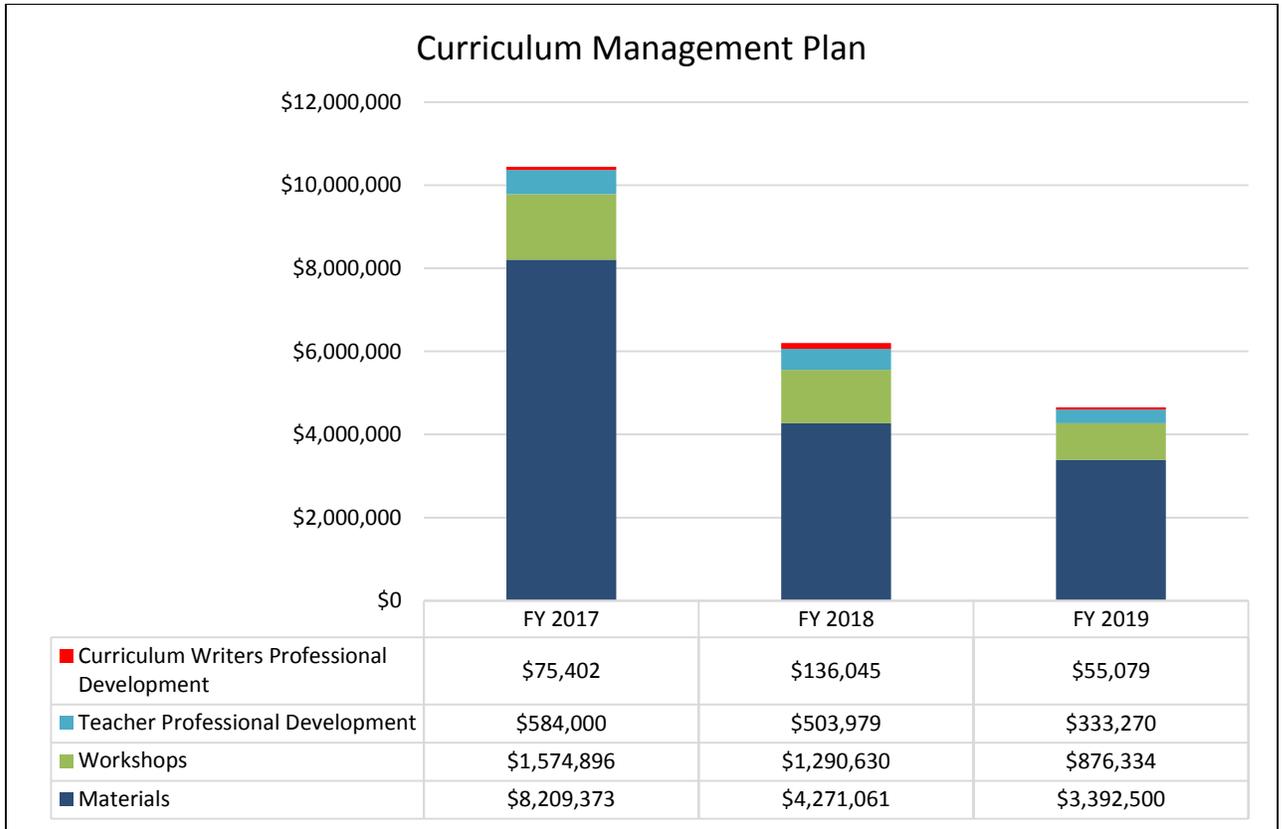
BCPS advised that classrooms utilizing digital devices continue to use some print materials. The print materials assist students who do not have home internet access, and they also enable students to choose which platform to utilize for their learning. BCPS further advised that print materials enable elementary students to learn how to hold books, turn pages, and read across pages. Unbound materials such as science workbooks, however, are being phased out. BCPS provided the following information regarding its textbook expenditures:

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Textbook Spending	
FY 2013 Actual	\$3,780,295
FY 2014 Actual	\$11,170,005
FY 2015 Actual	\$7,015,402
FY 2016 Budget	\$7,445,890
FY 2017 Budget	\$6,752,512
County Executive Changes	\$(1,752,512)
FY 2017 Adjusted	\$5,000,000

The proposed FY 2017 textbook funds of \$5.0 million will be utilized to implement the new curriculum for mathematics (grades 3-9) and English language arts (grades 4 and 7-12). BCPS advised that the rollout of digital devices is always preceded by curriculum development. According to BCPS's curriculum plan, BCPS plans to spend \$10.4 million on curriculum in FY 2017, including professional development, workshops, teacher professional development, and materials (including textbooks, novels, diagnostic assessment tools, digital content, etc.). This represents a slight downward revision from the \$10.8 million in curriculum costs estimated for FY 2017 during the FY 2016 budget process.

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BCPS advised that prior to the digital conversion/S.T.A.T. initiative, schools previously purchased their own computers, copiers, printers and toner, and some textbooks utilizing school-based budgets. BCPS evaluated actual school-based purchases of these items at the elementary, middle, and high school levels and calculated the costs as a percentage of the schools total budgets, and the per-pupil funding rate utilized to determine school-based budgets was reduced by that percent. The funds for the textbooks and computers are being redirected to the digital conversion/S.T.A.T. initiative over a 5-year period based on the initiative's rollout schedule; BCPS will centrally manage the purchase of all school-based computers and digital textbooks. The funds for the copiers, printers, and toner were redirected to the Purchasing Department, which is now responsible for purchasing these items through the Print Management Program; all of these funds were redirected in FY 2016.

BCPS provided the following information demonstrating the reduction in the per-pupil funding allocations to schools (excluding add-ons for special education):

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Per Pupil Funding Allocation to Schools	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2014-FY 2019
Elementary Schools	\$142	\$123	\$89	\$81	\$81	\$81	
% Change		-13.4%	-27.6%	-9.0%	0.0%	0.0%	-43.0%
Middle Schools	\$157	\$148	\$116	\$106	\$91	\$86	
% Change		-5.7%	-21.6%	-8.6%	-14.2%	-5.5%	-45.2%
High Schools	\$186	\$176	\$138	\$128	\$112	\$107	
% Change		-5.4%	-21.6%	-7.2%	-12.5%	-4.5%	-42.5%

BCPS should be prepared to discuss:

- ***How and why BCPS has changed its planned digital device rollout schedule;***
- ***Performance data related to the implementation of the digital conversion/S.T.A.T. initiative, including student test scores in Lighthouse schools as well as program evaluation results;***
- ***Any challenges noted during the implementation of the digital conversion/S.T.A.T. initiative (e.g., students' abilities to breach the devices' security features, teachers' abilities to balance digital and non-digital content in the classroom, reliability of internet access) and how these challenges have been addressed;***
- ***Results of independent (non-tech industry) studies regarding the benefits and drawbacks of classroom technology that BCPS has consulted during the implementation of the digital conversion/S.T.A.T. initiative;***
- ***Whether any usable computers removed from classrooms are idle and where these computers are stored;***
- ***The estimated percentage of students without digital devices who are assigned a textbook for individual use in each academic class, and how this percentage has changed in recent years; and***
- ***Any impacts associated with redirecting school-based funds on the day-to-day operations of schools and activities (e.g., field trips, assemblies).***

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3. Healthy Learning Environments

Physical Facilities

BCPS's aging facilities have placed increasing demands on BCPS's budget. For FY 2017, BCPS requested an additional \$1 million in one-time funds to address water infiltration projects; the proposed FY 2017 budget provides \$250,000. BCPS also requested an additional \$375,196 in ongoing funds for long-term maintenance programs; the County reduced this request and provided an additional \$250,000 in the proposed FY 2017 budget.

BCPS provided the following schedule regarding the BCPS Department of Physical Facilities' Operating Budget expenditures, FY 2013-FY 2017:

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Anticipated Budget
Physical Facilities Total Operating Costs*	\$112,034,036	\$115,459,586	\$118,715,760	\$132,118,258	\$125,774,118
General Maintenance**	\$25,844,727	\$27,481,251	\$32,047,823	\$30,971,989	\$31,968,427
Pest Control	\$26,920	\$28,014	\$23,497	\$28,095	\$28,095
Mold Remediation	\$68,584	\$246,446	\$165,513	\$247,614	\$200,000
Air Quality Inspections	Indoor air quality inspections are performed by BCPS personnel.				
*The Physical Facilities and General Maintenance totals include both salary and non-salary expenses.					
**The General Maintenance total includes Pest Control, Mold Remediation and Air Quality Inspections.					

Technology Exposure

BCPS advised that since the rollout of the digital conversion/S.T.A.T. initiative, it has not budgeted funding for technology exposure studies geared toward developing an understanding of issues ranging from maximum recommended screen time for children to amounts of radiofrequency exposure. BCPS further advised that it consults research by Common Sense Media; the American Academy of Pediatrics; the Fred Rogers Center for Early Learning and Children's Media at St. Vincent College; and the World Health Organization. BCPS advised that its curriculum and instruction do not "include or support 'entertainment media,' nor does [BCPS] advocate being in front of a screen for extended periods of time. The professional learning...is focused on

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appropriate and impactful use of technology. The device is a tool to be used when it is instructionally relevant and put aside when it is not.” BCPS advised that the amount of screen time students experience varies day-to-day, but students are not spending the entire school day on their devices. BCPS advised that the American Academy of Pediatrics may issue new recommendations in 2016 indicating that not all screen time is equal but that some screen time experiences are different than others. BCPS further advised that “numerous studies [regarding radiofrequency exposure], including work done by the World Health Organization, have concluded that there is no scientific evidence that the weak radio frequency signals emitted by wireless base stations and wireless networks cause adverse health effects.” However, the *Baltimore Sun* recently reported that doctors from Harvard and Yale medical schools attending an annual meeting of the Pediatric Academic Societies advised that “parents should limit their children’s use of cellphones, iPads, and other wireless technology because it could cause behavioral and concentration problems.” According to the *Sun*, while “There is little research on the impact of the microwave radiation and radio frequency radiation emitted by wireless devices on children...the doctors said early studies provide enough evidence to suggest that parents should exercise caution.”

Hunger Reduction

BCPS advised that the number of students eligible for the free and reduced-price meal program (FARM) has increased by 49.5% since SY 2006-2007 (from 34,851 students to 52,132 students in SY 2015-2016). BCPS advised that there are several hurdles associated with registering students for the FARM program, including receiving incomplete household meal benefit applications (e.g., missing signatures, income information, social security numbers); households that do not apply for benefits, in which case BCPS qualifies students without applications through a direct certification process (e.g., for homeless students, students in foster care, families receiving Social Services benefits); and foreign language speaking households which require interpretation/translation services. BCPS has implemented various initiatives to improve the FARM registration process, including implementing an online application system which reduces instances of incomplete applications; matching BCPS student enrollment records and Social Services assistance program client records; and proactively translating application documents into Spanish and Chinese.

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On March 7, 2016, the Council approved Resolution 32-16, which requested that BCPS implement a Community Eligibility Pilot Program for SY 2016-2017 in Riverview and Hawthorne Elementary Schools, Dundalk Middle School, and Dundalk High School to enable these schools, which have high percentages of students from low-income families, to provide free breakfast and lunch to all students, regardless of family income. BCPS advised that while a percentage of the program's cost will be reimbursed by the federal government, the annual cost to BCPS is estimated to total \$230,000-\$485,000. Due to the timing of when the FY 2017 budget was submitted, these costs were not budgeted; BCPS will fund the program from a combination of Food Service revenues and the Food Service fund balance.

BCPS advised that it has taken additional steps to reduce student hunger, including:

- Partnering with principals and school staff to promote breakfast, lunch, after-school snack, and supper programs;
- Holding school meal prices firm since SY 2008-2009 to minimize financial impact to families;
- Implementing in-classroom breakfast and "Grab & Go" breakfast programs; and
- Increasing the number of summer meal sites.

Discipline Management

BCPS advised that it does not centrally budget any funds for discipline management initiatives; instead, all schools and programs, including alternative centers, select and fund their individual discipline management programs utilizing their allotted school-based budgets. BCPS advised that the Office of Educational Options is implementing a 5-year strategic plan to improve BCPS' educational options programs. According to the FY 2017 Board Proposed Operating Budget, BCPS plans to allocate a total of \$365,250 for the school-based budgets of four alternative middle/high schools (Catonsville Center for Alternative Studies, the Crossroads Center, Meadowood Education Center, and Rosedale Alternative Center) and \$250,150 for the Office of Educational Options.

BCPS should be prepared to discuss:

- ***Short- and long-term strategies for addressing maintenance issues in County school buildings and how the proposed FY 2017 budget will impact those plans;***

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- ***The extent to which environmental health issues contribute to workers' compensation claim costs;***
- ***How BCPS responds to parent concerns regarding screen time and radiofrequency exposure and if consideration is being given to an "opt-out" alternative to digital learning environments;***
- ***How the new FARM registration initiatives have affected program enrollment;***
- ***The implementation of the Community Eligibility Pilot Program;***
- ***The status of other hunger-related initiatives BCPS is pursuing; and***
- ***Any planned changes for the Educational Options programs or facilities.***

4. Equity and Academic Progress

Dr. Dance has committed BCPS to creating an equitable learning environment for all students. To achieve that goal, in addition to the digital conversion/S.T.A.T. initiative (see related Issue #2), Dr. Dance has implemented or expanded the following initiatives:

ESOL

The ESOL program began a 3-year phased-in expansion with 10.33 additional FTE positions (\$531,272) included in the FY 2016 budget. The proposed FY 2017 budget includes \$1,156,800 for 26.6 additional ESOL positions; BCPS had requested an additional 16.3 positions (\$662,400 in salaries), but the County's Office of Budget and Finance accelerated the program's expansion due to the high need for services. BCPS advised that enrollment in ESOL grew 22.1% from FY 2011-FY 2015, but staffing had not been adjusted for increased enrollment.

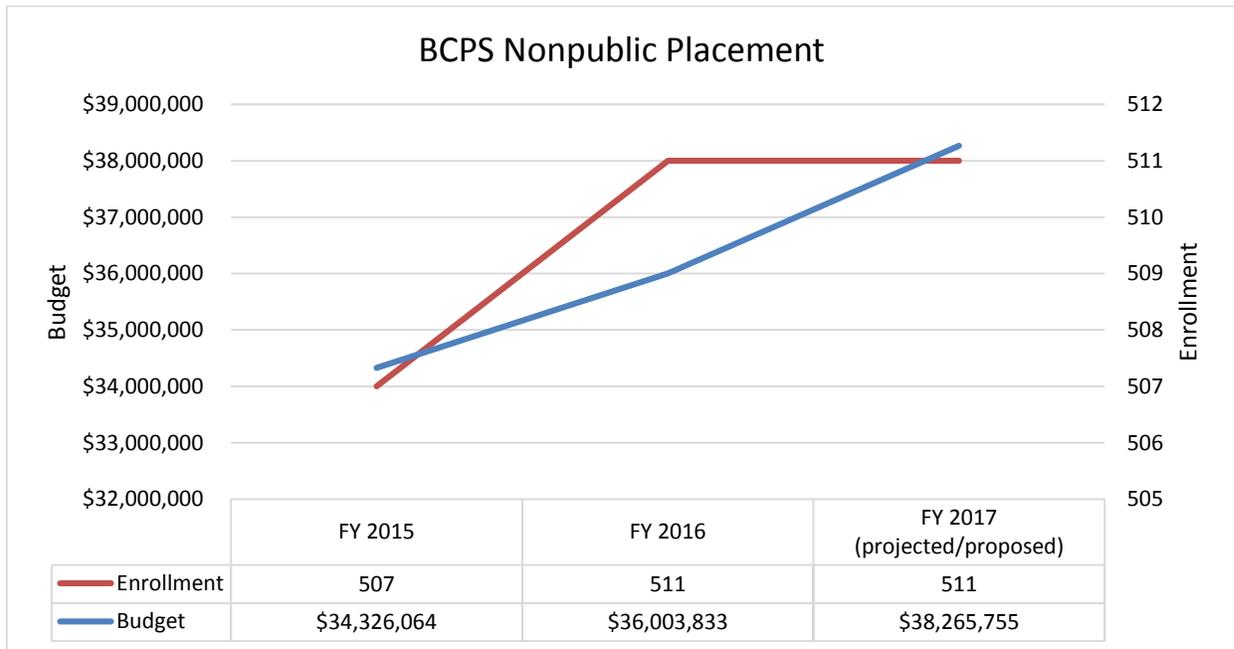
BCPS further advised that it is exploring a "High School Academy" for ESOL students which would utilize a "school within a school" model. BCPS advised that any costs related to implement this initiative in FY 2017 will be absorbed by existing funding.

Nonpublic Placements

BCPS's proposed FY 2017 budget includes \$38,265,755 for nonpublic placement costs, an increase of approximately \$2.3 million, or 6.3%, over the FY 2016 budget. Federal law requires that BCPS provide services for students, who through appropriate assessment, have been determined to have temporary or long-term special education needs arising from cognitive,

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emotional, and/or physical factors. When public school programs are unable to meet a student’s needs, placement in a nonpublic school is required. MSDE negotiates the rates for the placements, and the State reimburses the County for a portion of the costs.



BCPS advised that it is considering the development of “regional...programs to provide an intense level of support for students needing a more restrictive placement rather than referring to non-public schools...” The proposed FY 2017 budget also adds 20 special education teaching positions (\$966,580). BCPS advised that the additional positions will lower student/teacher ratios, reduce caseloads, and provide services to retain more BCPS students in schools and reduce nonpublic placement costs. BCPS further advised that additional special education positions were identified as a critical need through an outside audit of the Special Education program.

Relationships with Outside Entities

BCPS advised that it is partnering with the County Department of Health and Human Services to provide “wrap around” services. The BCPS Offices of Special Education and English Language Arts are beginning to collaborate with the Odyssey School (a K-8 school for students with dyslexia and language learning differences) to identify opportunities to increase BCPS teachers’ expertise in addressing the needs of vulnerable readers, including students with dyslexia, dysgraphia, and dyscalculia.

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Mentoring

In the 2016 State of the Schools address, Dr. Dance stated that BCPS will begin a mentoring initiative aimed at addressing opportunity gaps for minority boys and young men. Dr. Dance also stated that two-thirds of schools already have mentoring initiatives in place.

School Transitions

In the 2016 State of the Schools address, Dr. Dance stated that BCPS will be working to ease students' transitions from elementary to middle school and middle to high school. For the second year in a row, BCPS is notifying parents at the end of the first and third academic quarters if their 9th grade students are not on track to graduate based on attendance, behavior, and grades; this program was adopted for 6th graders in SY 2015-2016. Dr. Dance also stated that BCPS will offer summer math boot camps for 6th and 9th graders. BCPS will also offer early entry days starting this fall for students to try out their bus routes, course schedules, and lockers as well as meet teachers and learn about activities. BCPS advised that the proposed FY 2017 budget includes \$749,000 to reclassify secondary guidance counselor chairs (52 FTEs) as 12-month employees to better support student transitions to 6th and 9th grades.

Partnership with CCBC

BCPS partners with CCBC to provide early college access programs, the most popular of which enables high school juniors and seniors with G.P.A.s of at least 2.5 to take up to four CCBC courses tuition-free. The proposed FY 2017 budget includes an additional \$340,686 for early college access programs due to increased student demand.

BCPS should be prepared to discuss:

- ***How the County's accelerated ESOL funding impacts the program's expansion and implementation in SY 2016-2017;***
- ***The current status of the ESOL "High School Academy" initiative, as well as goals and expected costs;***
- ***The process by which BCPS identifies students for nonpublic placement, and how enrollment may change if additional funding is provided for special education staff and intensive support;***

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- ***Why nonpublic placement costs are increasing 6.3% in the proposed FY 2017 budget while enrollment is expected to remain nearly flat;***
- ***Plans, goals, and costs associated with BCPS mentoring initiatives (those in development as well as those currently implemented); and***
- ***Outcomes related to the Early Access College program, including the academic success, college acceptance rates, and job placements of participants.***

5. Passport Program

The Second Language Acquisition/Passport Program provides weekly conversational lessons led by elementary Spanish teachers, and a technology platform known as Middlebury Interactive supplements the lessons. In SY 2014-2015, BCPS piloted the Passport program in the 4th grade at 10 elementary schools using redirected funding and positions. In SY 2015-2016, the 10 original Passport schools continued the program in the 4th grade and piloted the program in the 5th grade. In addition, 15 new elementary Passport schools piloted the program in the 4th grade, again with BCPS redirecting funding from existing resources. For SY 2016-2017, BCPS requested an additional 11 teaching positions to expand the Passport program from 25 to 40 schools; the FY 2017 proposed budget provides 4 additional positions. BCPS advised that it is re-evaluating its expansion plan due to the requested staffing not being provided by the County. BCPS clarified that the 11 requested positions would have provided for the expansion to additional schools as well as an increase in instructional time recommended by the program evaluation conducted by the Center for Applied Linguistics.

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BCPS provided the following information related to Passport Program funding:

	FY 2015	FY 2016	Proposed FY 2017 Increase	Total Proposed FY 2017 Program Budget	Notes
Participating Schools	10	25	15		
Teacher FTE	2.0	5.0	4.0	9.0	
Salary Total	\$119,099	\$307,286	\$193,316	\$500,602	
Middlebury	\$70,000	\$175,000	\$63,611	\$238,611	Annual contract for Middlebury software license fees.
Headphones	\$3,000	\$7,500	\$8,000	\$15,500	
Mileage	\$707	\$1,768	\$3,889	\$5,657	Mileage for teachers supporting multiple Passport schools.
Misc. Classroom Supplies	\$1,286	\$3,214	\$4,500	\$7,714	
Total	\$194,092	\$494,768	\$273,316	\$768,084	

BCPS should be prepared to discuss:

- ***Academic outcomes from the Passport Program;***
- ***The Center for Applied Linguistics' program evaluation; and***
- ***Revised plans for the Passport Program, including the rollout schedule and expansion of instructional time, in light of the County's change to BCPS's funding request.***

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6. Staffing

Bus Drivers and Grounds Workers

The proposed FY 2017 budget includes an additional \$730,232 to increase compensation for bus drivers. BCPS advised that it has been challenging to fill the bus driver position because the current compensation package is not competitive. In addition to improving compensation, the BCPS Office of Staffing and Office of Transportation collaborated to review possible changes to recruitment incentives and strategies. BCPS is maintaining a continuous job announcement to attract candidates and has also increased to twice monthly the number of job fairs dedicated to bus driver and bus attendant candidates. BCPS further advised that the Grounds Worker I position is difficult to fill because the salary is not competitive compared to the salaries offered by local landscaping companies. BCPS holds monthly job fairs to attract grounds worker candidates, and the Office of Staffing is in discussion with the Office of Maintenance, Grounds, and Logistics—Grounds Section regarding other ways in which hiring challenges may be addressed.

Instructional Positions

BCPS advised that it has difficulty filling instructional positions in Spanish, Special Education, and ESOL (English for Speakers of Other Languages) due to the lack of qualified applicants. BCPS advised that in order to remain competitive with other jurisdictions with higher starting salaries, BCPS is offering to provide a “two step credit” on the instructional salary scale for teachers in these content areas. BCPS also held a recruitment trip to areas with high concentrations of Spanish speakers to increase the applicant pool; is maintaining continuous job postings; and has held multiple job fairs specific to each of these content areas on multiple dates.

BCPS should be prepared to discuss:

- ***How the current salaries for bus drivers, grounds workers, instructional staff, and other personnel compare to those offered by other jurisdictions;***
- ***The projected timeline over which BCPS plans to resolve certain staffing shortages; and***
- ***Outcomes from recent efforts to recruit additional Spanish, ESOL, and Special Education instructors.***

BALTIMORE COUNTY
FISCAL YEAR 2017 RECOMMENDED BUDGET

DEPARTMENT OF EDUCATION (035)

APPROPRIATION DETAIL					
	FY 2015 <u>ACTUAL</u>	FY 2016 <u>APPROP</u>	FY 2017 <u>REQUEST</u>	<u>NET CHANGE</u>	
				AMOUNT	%
3501 Administration					
General Fund	\$ 33,222,106	\$ 25,035,301	\$ 27,571,836	\$ 2,536,535	10.1%
Special Fund	15,959,128	17,433,596	18,249,991	816,395	4.7%
Total	<u>49,181,234</u>	<u>42,468,897</u>	<u>45,821,827</u>	<u>3,352,930</u>	<u>7.9%</u>
3502 Mid-Level Administration					
General Fund	58,610,108	56,649,063	57,060,746	411,683	0.7%
Special Fund	33,046,596	38,172,445	39,960,018	1,787,573	4.7%
Total	<u>91,656,704</u>	<u>94,821,508</u>	<u>97,020,764</u>	<u>2,199,256</u>	<u>2.3%</u>
3503 Instructional Salaries & Wages					
General Fund	263,549,237	277,217,623	277,537,546	319,923	0.1%
Special Fund	203,934,720	218,276,394	228,498,031	10,221,637	4.7%
Total	<u>467,483,957</u>	<u>495,494,017</u>	<u>506,035,577</u>	<u>10,541,560</u>	<u>2.1%</u>
3504 Instructional Textbooks & Supplies					
General Fund	13,225,643	8,865,743	8,597,396	(268,347)	-3.0%
Special Fund	10,754,715	13,285,826	13,907,986	622,160	4.7%
Total	<u>23,980,358</u>	<u>22,151,569</u>	<u>22,505,382</u>	<u>353,813</u>	<u>1.6%</u>
3505 Other Instructional Costs					
General Fund	10,110,341	28,855,794	42,755,398	13,899,604	48.2%
Special Fund	5,667,939	8,101,113	8,480,479	379,366	4.7%
Total	<u>15,778,280</u>	<u>36,956,907</u>	<u>51,235,877</u>	<u>14,278,970</u>	<u>38.6%</u>
3506 Special Education					
General Fund	65,123,122	63,977,027	61,899,575	(2,077,452)	-3.2%
Special Fund	96,138,509	107,064,312	112,078,013	5,013,701	4.7%
Total	<u>161,261,631</u>	<u>171,041,339</u>	<u>173,977,588</u>	<u>2,936,249</u>	<u>1.7%</u>
3507 Student Personnel Services					
General Fund	6,272,915	6,438,696	6,610,591	171,895	2.7%
Special Fund	2,724,170	3,305,254	3,460,036	154,782	4.7%
Total	<u>8,997,085</u>	<u>9,743,950</u>	<u>10,070,627</u>	<u>326,677</u>	<u>3.4%</u>

BALTIMORE COUNTY
FISCAL YEAR 2017 RECOMMENDED BUDGET

DEPARTMENT OF EDUCATION (035)

APPROPRIATION DETAIL					
	FY 2015 ACTUAL	FY 2016 APPROP	FY 2017 REQUEST	NET CHANGE	
				AMOUNT	%
3508 Health Services					
General Fund	10,003,768	10,093,600	10,366,644	273,044	2.7%
Special Fund	4,665,633	5,573,566	5,834,570	261,004	4.7%
Total	<u>14,669,401</u>	<u>15,667,166</u>	<u>16,201,214</u>	<u>534,048</u>	<u>3.4%</u>
3509 Student Transportation Service					
General Fund	19,106,502	16,643,877	14,506,376	(2,137,501)	-12.8%
Special Fund	45,873,542	49,254,768	51,561,313	2,306,545	4.7%
Total	<u>64,980,044</u>	<u>65,898,645</u>	<u>66,067,689</u>	<u>169,044</u>	<u>0.3%</u>
3510 Operation of Plant & Equipment					
General Fund	50,627,551	50,236,829	49,705,799	(531,030)	-1.1%
Special Fund	42,149,593	45,625,470	47,762,059	2,136,589	4.7%
Total	<u>92,777,144</u>	<u>95,862,299</u>	<u>97,467,858</u>	<u>1,605,559</u>	<u>1.7%</u>
3511 Maintenance of Plant & Equipment					
General Fund	19,604,944	17,115,452	19,311,470	2,196,018	12.8%
Special Fund	13,679,204	14,970,857	15,671,926	701,069	4.7%
Total	<u>33,284,148</u>	<u>32,086,309</u>	<u>34,983,396</u>	<u>2,897,087</u>	<u>9.0%</u>
3512 Fixed Charges					
General Fund	185,862,575	185,028,443	178,747,343	(6,281,100)	-3.4%
Special Fund	117,676,982	125,923,704	131,820,568	5,896,864	4.7%
Total	<u>303,539,557</u>	<u>310,952,147</u>	<u>310,567,911</u>	<u>(384,236)</u>	<u>-0.1%</u>
3515 Capital Outlay					
General Fund	2,755,876	2,691,629	2,881,167	189,538	7.0%
Special Fund	625,159	1,101,751	1,153,345	51,594	4.7%
Total	<u>3,381,035</u>	<u>3,793,380</u>	<u>4,034,512</u>	<u>241,132</u>	<u>6.4%</u>
3518 Federal & Restricted Programs					
General Fund	-	-	-	-	-
Special Fund	69,878,249	82,686,357	87,061,826	4,375,469	5.3%
Total	<u>69,878,249</u>	<u>82,686,357</u>	<u>87,061,826</u>	<u>4,375,469</u>	<u>5.3%</u>
3519 Debt Service - County Bonds					
General Fund	38,914,326	40,807,158	48,139,313	7,332,155	18.0%
3520 Contribution to Capital Budget - Schools					
General Fund	3,119,000	34,373,466	47,208,853	12,835,387	37.3%

BALTIMORE COUNTY
FISCAL YEAR 2017 RECOMMENDED BUDGET

DEPARTMENT OF EDUCATION (035)

APPROPRIATION DETAIL

	FY 2015	FY 2016	FY 2017	NET CHANGE	
	<u>ACTUAL</u>	<u>APPROP</u>	<u>REQUEST</u>	<u>AMOUNT</u>	<u>%</u>
3513 Food & Nutrition Services (Enterprise Fund)					
Special Fund	45,330,344	45,618,831	47,583,427	1,964,596	4.3%
Grand Total	<u>\$ 1,488,212,497</u>	<u>\$ 1,600,423,945</u>	<u>\$ 1,665,983,641</u>	<u>\$ 65,559,696</u>	<u>4.1%</u>
<u>Funds Recap:</u>					
Total General Fund	\$ 780,108,014	\$ 824,029,701	\$ 852,900,053	\$ 28,870,352	3.5%
Total Special Fund	<u>708,104,483</u>	<u>776,394,244</u>	<u>813,083,588</u>	<u>36,689,344</u>	<u>4.7%</u>
Total All Funds	<u>\$ 1,488,212,497</u>	<u>\$ 1,600,423,945</u>	<u>\$ 1,665,983,641</u>	<u>\$ 65,559,696</u>	<u>4.1%</u>

Note: A budget appropriation transfer (BAT) totaling \$12.1 million between programs within BCPS is expected to be presented for Council approval on June 6, 2016.

BALTIMORE COUNTY
FISCAL YEAR 2017 BUDGET HEARINGS

DEPARTMENT OF EDUCATION (035)

PERSONNEL DETAIL					
		<u>FY 2015 ACTUAL</u>	<u>FY 2016 APPROP</u>	<u>FY 2017 RECOMM</u>	<u>NET CHANGE</u>
3501	Administration	319	317	315	(2)
3502	Mid-Level Administration	1,081	1,089	1,087	(2)
3503	Instructional Salaries & Wages	7,088	7,178	7,287	109
3504	Instructional Textbooks & Supplies	0	0	0	0
3505	Other Instructional Costs	0	0	0	0
3506	Special Education	1,983	1,995	2,026	31
3507	Student Personnel Services	108	107	112	5
3508	Health Services	214	214	217	3
3509	Student Transportation Service	1,180	1,191	1,191	0
3510	Operation of Plant & Equipment	1,184	1,189	1,192	3
3511	Maintenance of Plant & Equipment	249	250	248	(2)
3512	Fixed Charges	0	0	0	0
3513	Food & Nutrition Services	586	591	617 ⁽¹⁾	26
3515	Capital Outlay	39	41	42	1
3518	Federal & Restricted Programs	594	595	682	87
3519	Debt Service - Co. Bonds	0	0	0	0
3520	Contribution to Capital Budget - Schools	0	0	0	0
	Total All Funds	<u>14,626</u> ⁽²⁾	<u>14,757</u> ⁽²⁾	<u>15,015</u> ⁽²⁾	<u>258</u> ⁽²⁾

⁽¹⁾ Includes 1.0 FTE for the Internal Service Fund related to workers' compensation.

⁽²⁾ Difference due to rounding of FTEs

OPERATING BUDGET

Maintenance of Effort (M.O.E.) - FY 2017

Baltimore County Public Schools

☛ **The proposed budget exceeds the M.O.E. requirement by \$483,863.**

<u>1</u>	<u>Local Share Based on Wealth</u>	<u>M.O.E.</u>
	<u>Local Wealth</u>	
(a)	Net Taxable Income	\$ 18,825,214,070
	Assessed Value:	
(b)	100% of Operating Real Property of Public Utilities	105,952,000
(c)	40% of All Other Real Property	30,638,158,800
(d)	50% of Personal Property	1,487,849,000
(e)	Total Assessed Value	<u>32,231,959,800</u>
(f)	Total Local Wealth = (a) + (e)	<u>\$ 51,057,173,870</u>
	<u>Local Contribution Rate</u>	
(a)	50% of first \$624 of statewide per pupil foundation amount (\$6,860)	\$ 312.00
(b)	50% of statewide per pupil foundation amount in excess of \$624	3,170.00
(c)	Weighted Per Pupil Foundation Amount	\$ 3,482.00
(d)	Statewide FTE Enrollment	<u>845,861.25</u>
(e)	Statewide Weighted Per Pupil Foundation Amount	<u>\$2,945,288,872.50</u>
(f)	Statewide Wealth	<u>\$ 414,264,698,616</u>
(g)	Local Contribution Rate = (e)/(f)	<u>0.71097%</u>
(h)	Local Share = (g) x Local Wealth (f)	<u>\$ 363,001,189</u>
<u>2</u>	<u>Local Share Based on Per Pupil Foundation Amount</u>	
(a)	FY 2016 General Fund Appropriation	\$ 824,029,701
(b)	Debt Service - Capital	(40,807,158)
(c)	PAYGO	(34,373,466)
(d)	One-Time Only Exclusions	<u>(6,654,211)</u>
(e)	Highest Local Current Expense Appropriation	\$ 742,194,866
(f)	FTE Enrollment @ 9/30/2014	<u>105,904.25</u>
(g)	FY 2015 Per Pupil Expense = (f)/(g)	\$ 7,008.17
(h)	FTE Enrollment @ 9/30/2015	<u>107,104.00</u>
(i)	Local Share = (h) x (i)	<u>\$ 750,602,917</u>
<u>3</u>	<u>Required Local Share (Greater of 1 or 2)</u>	750,602,917
<u>4</u>	<u>Proposed Local Share</u>	
	Proposed FY 2017 General Fund Appropriation	\$ 852,900,053
	Debt Service - Capital	(48,139,313)
	PAYGO	(47,208,853)
	One-Time Only Exclusions	<u>(6,465,107)</u>
		<u>751,086,780</u>
<u>5</u>	<u>Local Share in Excess of Required Local Share (4 - 3)</u>	<u>\$ 483,863</u>
<u>6</u>	<u>Per Pupil Increase - Excess Local Share (5)/FTE Enrollment @ 9/30/15 (2h)</u>	\$ 5

Note 1: Beginning in FY2015, jurisdictions must maintain an education effort that is at least equal to the statewide 5-year average.

* BCPS advised that due to rounding (using MSDE guidance), the proposed FY 2017 budget exceeds the MOE level by \$483,859.