

County Council of Howard County, Maryland

2018 Legislative Session

Legislative Day No. 5

Resolution No. 68 -2018

Introduced by: The Chairperson at the request of the Board of Education

A RESOLUTION approving certain transfers between major categories of the Howard County Board of Education Operating Budget for Fiscal Year 2018; transferring \$1,989,750 to the Fixed Charges category, \$700,000 to the Administration category, and \$400,000 to the Student Transportation category.

Introduced and read first time May 7, 2018.

By order Jessica Feldmark
Jessica Feldmark, Administrator

Read for a second time at a public hearing on May 21, 2018.

By order Jessica Feldmark
Jessica Feldmark, Administrator

This Resolution was read the third time and was Adopted , Adopted with amendments___, Failed___, Withdrawn___, by the County Council on June 4, 2018.

Certified By Jessica Feldmark
Jessica Feldmark, Administrator

Approved by the County Executive June 8, 2018

Allan H. Kittleman
Allan H. Kittleman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment

1 **WHEREAS**, Section 5-105 of the Education Article of the Annotated Code of Maryland
2 provides that a transfer between major categories of the budget of a County Board of Education
3 shall be made only with the approval of the County Council; and
4

5 **WHEREAS**, Section 5-105 further provides that if a County Council fails to take action
6 on a written request for a transfer between major budget categories within 30 days of receipt of
7 the request, the failure to take action constitutes approval thereof; and
8

9 **WHEREAS**, on May 24, 2017, the County Council adopted Council Resolution No. 58-
10 2017 that adopted the Fiscal Year 2018 Operating Budget for the Board of Education; and
11

12 **WHEREAS**, on or about May 7, 2018 the County Council received a request from the
13 Board of Education to transfer, in the Fiscal Year 2018 expense budget, a total of \$3,089,750
14 between categories as follows: \$1,989,750 to the Fixed Charges category, \$700,000 to the
15 Administration category, and \$400,000 to the Student Transportation category; and
16

17 **WHEREAS**, this transfer is necessary to address a deficit in the Health Fund,
18 unanticipated expenditures in the Administration Fund and the need for additional funding to
19 meet student transportation needs; and
20

21 **WHEREAS**, to address deficits in the Health Fund, funding is available due to turnover
22 in Instructional Salaries and Wages, Textbooks and Instructional Supplies, Other Instructional
23 Costs, and Health Services; and
24

25 **WHEREAS**, to provide additional funds to Administration, funding is available in Mid-
26 Level Administration and Instructional Salaries and Wages; and
27

28 **WHEREAS**, to provide additional funds to Student Transportation, funding is available
29 from Operation of Plant; and
30

31 **WHEREAS**, the Board of Education has indicated that the funds are available for

1 transfer from the respective categories.

2

3 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,
4 Maryland this 4th day of June, 2018 that it approves the following transfers
5 between major categories of the Fiscal Year 2018 expense fund budget of the Howard County
6 Board of Education:

7

8 Donor Categories:

9 **Mid-Level Administration**

10	Appropriation Fiscal Year 2018 before transfer	\$62,488,043
11	Less amount transferred to Administration	<u>(\$60,000)</u>
12	Appropriation Fiscal Year 2018 after transfer	\$62,428,043

13

14 **Instructional Salaries**

15	Appropriation Fiscal Year 2018 before transfer	\$345,966,464
16	Less amount transferred to Administration	(\$640,000)
17	Less amount transferred to Fixed Charges	<u>(\$799,250)</u>
18	Appropriation Fiscal Year 2018 after transfer	\$344,527,214

19

20 **Textbooks & Classroom Instructional Supplies**

21	Appropriation Fiscal Year 2018 before transfer	\$9,640,536
22	Less amount transferred to Fixed Charges	<u>(\$707,500)</u>
23	Appropriation Fiscal Year 2018 after transfer	\$8,933,036

24

25 **Other Instructional Costs**

26	Appropriation Fiscal Year 2018 before transfer	\$3,109,046
27	Less amount transferred to Fixed Charges	<u>(\$426,000)</u>
28	Appropriation Fiscal Year 2018 after transfer	\$2,683,046

29

30 **Student Health Services**

31	Appropriation Fiscal Year 2018 before transfer	\$8,235,796
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1	Less amount transferred to Fixed Charges	<u>(\$57,000)</u>
2	Appropriation Fiscal Year 2018 after transfer	\$8,178,796
3		
4	Operation of Plant	
5	Appropriation Fiscal Year 2018 before transfer	\$40,501,696
6	Less amount transferred to Student Transportation	<u>(\$400,000)</u>
7	Appropriation Fiscal Year 2018 after transfer	\$40,101,696
8		
9	Recipient Categories:	
10	Fixed Charges	
11	Appropriation Fiscal Year 2018 before transfer	\$157,397,416
12	Plus amount transferred from Instructional Salaries and Wages	\$799,250
13	Plus amount transferred from Textbooks &	
14	Instructional Supplies	\$707,500
15	Plus amount transferred from Other Instructional Costs	\$426,000
16	Plus amount transferred from Health Services	<u>\$57,000</u>
17	Appropriation Fiscal Year 2018 after transfer	\$159,387,166
18		
19	Administration	
20	Appropriation Fiscal Year 2018 before transfer	\$13,240,748
21	Plus amount transferred from Instructional Salaries and	
22	Wages	\$640,000
23	Plus amount transferred from Mid-Level Administration	<u>\$60,000</u>
24	Appropriation Fiscal Year 2018 after transfer	\$13,940,748
25		
26	Student Transportation	
27	Appropriation Fiscal Year 2018 before transfer	\$38,615,733
28	Plus amount transferred from Operation of Plant	<u>\$400,000</u>
29	Appropriation Fiscal Year 2018 after transfer	\$39,015,733



Rafiu O. Ighile
Chief Business and Technology Officer
410-313-1530

Rafiu O. Ighile, CPA

Chief Business and Technology Officer

**Testimony Submitted to the Howard County Council Chairperson,
Vice Chairperson, and Council Members**

May 21, 2018

FY 2018 Categorical Budget Transfer

The Howard County Public School System has reviewed the current status of FY 2018 funding, with particular interest in savings from efficiencies that can be applied toward the anticipated \$50.5 million Health Fund deficit we will face at the end of FY 2018.

The largest sum is funding being transferred to Category 12 – Fixed Charges to lessen the Health Fund deficit. The funding was found through cost savings and efficiencies in four other categories.

Additional funding was needed in Category 1 – Administration for contract buyout costs for the former Superintendent, along with unanticipated costs for a forensic audit and contracted payroll expenses.

Also, additional funding is needed in Category 9 – Student Transportation to cover expenses that exceeded conservative budgeting.

The school system appreciates your consideration of these categorical transfers to allow the most efficient use of end of year FY 2018 funding.