

County Council of Howard County, Maryland

2019 Legislative Session

Legislative Day No. 6

Resolution No. 62-2019

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 2019; transferring \$2,000,000 to the Fixed Charges category, \$700,000 to the Special Education category, \$200,000 to the Student Transportation category, and \$230,000 to the Operation of Plant category; and generally relating to the Fiscal Year 2019 Operating Budget of the Board of Education.

Introduced and read first time May 6, 2019.

By order Jessica Feldmark  
Jessica Feldmark, Administrator

Read for a second time at a public hearing on May 20, 2019.

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This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn , by the County Council on June 3, 2019.

Certified By Jessica Feldmark  
Jessica Feldmark, Administrator

Approved by the County Executive June 6, 2019

Calvin Ball  
Calvin Ball, 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 31, 2018, the County Council adopted Council Resolution No. 53-  
10 2018 that adopted the Fiscal Year 2019 Operating Budget for the Board of Education; and  
11

12           **WHEREAS**, on or about May 6, 2019 the County Council received a request from the  
13 Board of Education to transfer, in the Fiscal Year 2019 expense budget, a total of \$2,000,000 to  
14 the Fixed Charges category, \$700,000 to the Special Education category, \$200,000 to the Student  
15 Transportation category, and \$230,000 to the Operation of Plant category; and  
16

17           **WHEREAS**, this transfer is necessary to address deficits in the Health Fund,  
18 unanticipated expenditures in the Operations of Plant and Student Transportation funds, and to  
19 cover the underfunding of Special Education; and  
20

21           **WHEREAS**, to address deficits in the Health Fund, funding is available due to savings in  
22 Administration, Mid-Level Administration, Instructional Salaries and Wages, Textbooks and  
23 Instructional Supplies, and Maintenance of Plant; and  
24

25           **WHEREAS**, funding is available to Special Education from Instructional Salaries and  
26 Wages due to turnover savings and because the school system did not fill end-of-year vacancies;  
27 and  
28

29           **WHEREAS**, to provide additional funds to Student Transportation and Operation of  
30 Plant, funding is available from Maintenance of Plant; and  
31

32           **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 3<sup>rd</sup> day of June, 2019 that it approves the following transfers  
5 between major categories of the Fiscal Year 2019 expense fund budget of the Howard County  
6 Board of Education:

7  
8 Donor Categories:

9 **Administration**

10	Appropriation Fiscal Year 2019 before transfer	\$13,567,320
11	Less amount transferred to Fixed Charges	<u>(\$225,000)</u>
12	Appropriation Fiscal Year 2019 after transfer	\$13,342,320

13  
14 **Mid-Level Administration**

15	Appropriation Fiscal Year 2019 before transfer	\$62,658,494
16	Less amount transferred to Fixed Charges	<u>(\$450,000)</u>
17	Appropriation Fiscal Year 2019 after transfer	\$62,208,494

18  
19 **Instructional Salaries and Wages**

20	Appropriation Fiscal Year 2019 before transfer	\$348,389,986
21	Less amount transferred to Fixed Charges	(\$460,000)
22	Less amount transferred to Special Education	<u>(\$700,000)</u>
23	Appropriation Fiscal Year 2019 after transfer	\$347,229,986

24  
25 **Textbooks & Classroom Instructional Supplies**

26	Appropriation Fiscal Year 2019 before transfer	\$9,823,425
27	Less amount transferred to Fixed Charges	<u>(\$450,000)</u>
28	Appropriation Fiscal Year 2019 after transfer	\$9,373,425

29  
30 **Maintenance of Plant**

31	Appropriation Fiscal Year 2019 before transfer	\$26,217,132
32	Less amount transferred to Fixed Charges	(\$415,000)

1	Less amount transferred to Student Transportation	(\$200,000)
2	Less amount transferred to Operation of Plant	<u>(\$230,000)</u>
3	Appropriation Fiscal Year 2019 after transfer	\$25,372,132

4

5 Recipient Categories:

6 **Fixed Charges**

7	Appropriation Fiscal Year 2019 before transfer	\$184,960,057
8	Plus amount transferred from Administration	\$225,000
9	Plus amount transferred from Mid-Level Administration	\$450,000
10	Plus amount transferred from Instructional Salaries and Wages	\$460,000
11	Plus amount transferred from Textbooks & Classroom	
12	Instructional Supplies	\$450,000
13	Plus amount transferred from Maintenance of Plant	<u>\$415,000</u>
14	Appropriation Fiscal Year 2019 after transfer	\$186,960,057

15

16 **Special Education**

17	Appropriation Fiscal Year 2019 before transfer	\$109,184,782
18	Plus amount transferred from Instructional Salaries and	
19	Wages	<u>\$700,000</u>
20	Appropriation Fiscal Year 2019 after transfer	\$109,884,782

21

22 **Student Transportation**

23	Appropriation Fiscal Year 2019 before transfer	\$41,216,993
24	Plus amount transferred from Maintenance of Plant	<u>\$200,000</u>
25	Appropriation Fiscal Year 2019 after transfer	\$41,416,993

26

27 **Operation of Plant**

28	Appropriation Fiscal Year 2019 before transfer	\$42,593,699
29	Plus amount transferred from Maintenance of Plant	<u>\$230,000</u>
30	Appropriation Fiscal Year 2019 after transfer	\$42,823,699



**BOARD OF EDUCATION OF HOWARD COUNTY  
MEETING AGENDA ITEM**

**TITLE:** FY 2019 Categorical Budget Transfer

**DATE:** April 11, 2019

**PRESENTER(S):** Stephanie Ennels

**Strategic Call To Action Alignment:**

Responsive and Efficient Operations: Operations and practices are responsive, transparent, fiscally responsible, and accountable, with students at the heart of all decisions.

**OVERVIEW:**


As the Howard County Public School System began the 2019 fiscal year facing a deficit of \$37.0 million in the Health Fund, spending constraints were put into place while still prioritizing support of our schools and the safety of students and staff. In order to meet unanticipated expenditures in Operations of Plant and Student Transportation, cover the underfunding of Special Education, and to begin to decrease the Health Fund deficit, year-end revisions to the FY 2019 General Fund categorical operating budget are recommended, including:

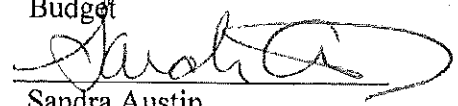
- Transfer of available funding from savings in Administration, Mid-Level Administration, Instructional Salaries and Wages, Textbooks and Instructional Supplies, and Maintenance of Plant to Fixed Charges to provide additional funding for Employee Health Insurance as the HCPSS endeavors to offset the Health Fund deficit.
- Transfer of available funding in Instructional Salaries and Wages to provided additional funds for Special Education.
- Transfer of available funding in Maintenance of Plant for Student Transportation and Operation of Plant.

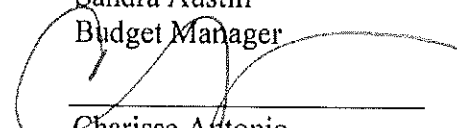
The transfer must be officially submitted to the County Council by April 25, 2019, to allow Council action at the June 3, 2019, legislative session. Before May 30, 2019, if needed, the school system may request amendments to the transfer, based on later cost projections.

**RECOMMENDATION/FUTURE DIRECTION:** It is recommended that the Board approve the categorical transfer request to be submitted to the County Council by April 25, 2019, for action at its June 3, 2019, legislative session.

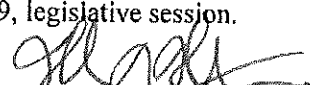
**SUBMITTED BY:**

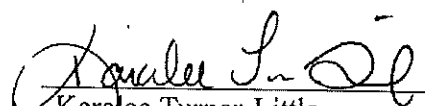
  
Stephanie Ennels  
Director, Finance and  
Budget


  
Sandra Austin  
Budget Manager

  
Charisse Antonio  
Accounting Manager

**APPROVAL/CONCURRENCE:**

  
Michael J. Martirano, Ed.D.  
Superintendent

  
Karalee Turner-Little  
Deputy Superintendent

  
Rafiq O. Ighile, CPA  
Chief Financial Officer

## **Details Regarding the FY 2019 Categorical Budget Transfer Request**

The school system is working closely with the county to address the Health Fund deficit. In our efforts to lessen the estimated deficit by providing additional funding to Fixed Charges, spending constraints were put in place in FY 2019 that still prioritize support to schools and the safety of students and staff. Additionally, unanticipated costs associated with Special Education nonpublic placement exceeded the appropriation in Special Education. The FY 2019 Student Transportation budget was not sufficient to meet the needs of the school system. Additionally, the colder than expected winter drove up utility costs which exceeded the appropriation in Operation of Plant. Funds must be transferred to meet the expenditures in these categories.

Management has completed cost projections by category to predict FY 2019 cost-savings. Management used this information to predict what remaining funds each category may have available to address the need for funding in Fixed Charges, Special Education, Operation of Plant, and Student Transportation. The result of these efforts, along with continued monitoring of programs by Performance Managers and Business and Technology staff, allows for a requested transfer of \$2,000,000 to Fixed Charges, \$700,000 to Special Education, \$200,000 to Student Transportation, and \$230,000 to Operation of Plant. It is essential to be conservative at this time based upon the best available information, as COMAR requires that the school system not overspend any category.

### **Categorical Expenditures**

The current categorical transfer request for FY 2019 is \$3,130,000, which is 0.4 percent of budgeted expenditures. An explanation of the results by state category follows:

#### *Category 1 – Administration*

This category includes costs for activities associated with the general regulations, direction, and control of the school system. Savings of \$225,000 are a result of holding 1.0 Process Development Coordinator position in the Office of the Superintendent and other turnover savings.

#### *Category 2 – Mid-Level Administration*

This category contains instructional support services including central office instructional personnel, professional development, school-based office staff, school administration, media processing, cable TV/video production, and temporary employee services. Savings of \$450,000, in salary savings, are projected.

#### *Category 3 – Instructional Salaries and Wages*

This category funds instructional salaries and wages. Salary savings are projected across all programs from turnover savings and by not filling end-of-school-year vacancies. Total savings are projected in Instructional Salaries and Wages to be \$1,160,000.

#### *Category 4 – Textbooks and Instructional Supplies*

This category is comprised of expenditures and commitments for textbooks and instructional supplies for all schools. Spending is being monitored throughout the year in order to make sure all essential supplies have been and will continue to be ordered. Savings of \$450,000 are projected from reductions to supplies and textbooks across various programs.

#### *Category 5 – Other Instructional Costs*

This category is comprised of commitments for contracted services, professional development, and equipment used to support the instructional program. This category is expected to fully utilize its budgeted funds.

#### *Category 6 – Special Education*

The Special Education category includes costs associated with the instructional needs of students receiving special education services. An additional \$700,000 is necessary in this category to cover nonpublic placement expenses that exceeded the appropriation.

*Category 7 – Student Personnel Services*

The Student Personnel Services category includes programs to improve student attendance and to solve student problems involving the home, school, and community. This category is expected to fully utilize its budgeted funds.

*Category 8 – Health Services*

The Student Health Services category provides staffing for school health rooms, maintains student health records, identifies health problems, enforces immunization laws, and provides other services. This category is expected to fully utilize its budgeted funds.

*Category 9 – Student Transportation*

The Student Transportation category provides funding for the transportation of students. Conservative budgeting in this category will not cover estimated expenditures. An additional \$200,000 is necessary in this category.

*Category 10 – Operation of Plant*

This category includes custodial salaries and the cost of utilities. An additional \$230,000 is necessary in this category to cover unanticipated utility expenses.

*Category 11 – Maintenance of Plant*

This category includes costs of building and grounds maintenance, and environmental maintenance. A savings of \$845,000 is projected in this category.

*Category 12 – Fixed Charges*

This category includes the cost of employee benefits and other fixed charges and costs such as vehicle insurance, retirement contributions, life insurance, workers' compensation contributions from the General Fund, unemployment insurance, and the early retirement program payments. A transfer of \$2,000,000 to this category will be applied to employee health insurance to lessen the current Health Fund deficit.

*Category 14 – Community Services*

This category provides for the usage of our facilities by the community, transportation for some parochial students in Howard County, grounds maintenance of school sites for community use, and other school system community services. This category is expected to fully utilize its budgeted funds.

*Category 15 – Capital Outlay*

The Capital Outlay category includes costs for planning, administration, and oversight of the Capital Budget. This category is expected to fully utilize its budgeted funds.

The following chart provides the Categorical Transfer request that will be submitted to the County Council.

**FY 2019 Categorical Transfer Request**

Category Number	Major Category	General Fund Budget	Year-End Transfer	Revised Appropriation
1	Administration	\$ 13,567,320	\$ (225,000)	\$ 13,342,320
2	Mid-Level Administration	62,658,494	(450,000)	62,208,494
3	Instructional Salaries and Wages	348,389,986	(1,160,000)	347,229,986
4	Textbooks & Instructional Supplies	9,823,425	(450,000)	9,373,425
5	Other Instructional Costs	3,128,717	-	3,128,717
6	Special Education	109,184,782	700,000	109,884,782
7	Student Personnel Services	3,641,641	-	3,641,641
8	Student Health Services	8,966,402	-	8,966,402
9	Student Transportation	41,216,993	200,000	41,416,993
10	Operation of Plant	42,593,699	230,000	42,823,699
11	Maintenance of Plant	26,217,132	(845,000)	25,372,132
12	Fixed Charges	184,960,057	2,000,000	186,960,057
14	Community Services	7,128,926	-	7,128,926
15	Capital Outlay	908,432	-	908,432
	<b>Total</b>	<b>\$ 862,386,006</b>	<b>\$ -</b>	<b>\$ 862,386,006</b>

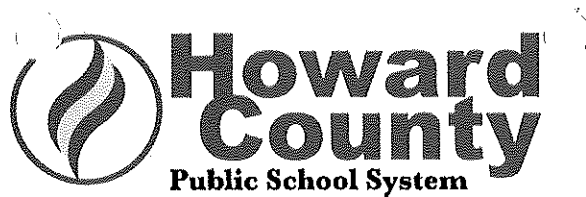
**Individual Transfers**

	From		To
1	Administration	\$ (225,000)	\$ 225,000 Fixed Charges
2	Mid-Level Administration	(450,000)	450,000 Fixed Charges
3	Instructional Salaries and Wages	(460,000)	460,000 Fixed Charges
4	Textbooks & Instructional Supplies	(450,000)	450,000 Fixed Charges
5	Maintenance of Plant	(415,000)	415,000 Fixed Charges
6	Instructional Salaries and Wages	(700,000)	700,000 Special Education
7	Maintenance of Plant	(200,000)	200,000 Student Transportation
8	Maintenance of Plant	(230,000)	230,000 Operation of Plant

**Explanations:**

- 1-5 Transfer available funds from the identified categories to Fixed Charges to offset the Health Fund deficit.
- 6 Transfer needed to fund unanticipated costs for Special Education Nonpublic placements.
- 7 Transfer to cover increase to Student Transportation contract obligations.
- 8 Transfer to cover unanticipated utility costs.





**Division of Business and Technology  
Rafiu O. Ighile, CPA – Chief Financial Officer  
410-313-1530**

**Testimony Submitted to the Howard County Council Chairperson,  
Vice Chairperson, and Council Members  
May 20, 2019**

**FY 2019 Categorical Budget Transfer for the Howard County Public School System – CR62–2019**

Council Chairperson, Vice Chairperson, and members of the County Council, I am Rafiu Ighile, CFO for the Howard County Public School System. I am here today requesting your approval of our FY 2019 State Categorical Budget Transfer.

In accordance with the State of Maryland Code of Maryland Regulations (COMAR), all school systems are required to not exceed the approved budget in any state expenditure category within a fiscal year. In response to this mandate, the school system is requesting a categorical transfer of \$3,130,000, affecting 0.4 percent of budgeted expenditures, to provide sufficient funding to meet anticipated expenditures in each state category. An explanation of the transfers by state category follows:

Surplus funds through salary savings and attrition in Category 1 – Administration, Category 2 – Mid-Level Administration, Category 3 – Instructional Salaries and Wages, and Category 11 – Maintenance of Plant, totaling \$3,130,000, will be transferred to other state categories where a shortfall is projected.

The largest portion of this surplus savings is from Category 3 – Instructional Salaries and Wages, and while totaling \$1,160,000, accounts for only 0.3 percent of the budgeted expenditures in this category. Another instructional area, Category 6 – Special Education will receive \$700,000, or 60 percent of this transfer. Class size is set at the beginning of the fiscal year based on approved funding. Throughout the school year, attrition occurs. Replacement of departing seasoned, higher-salaried teachers at the start and during the year, with average-salaried teachers, is part of this savings, along with savings netted by use of long-term substitutes near school end. In comparison to the total budgeted expenditures in Category 3, this savings is a relatively small portion that cannot be more precisely forecasted in the budgeting process.

A transfer of \$700,000 to Category 6 – Special Education, will cover unexpected and rising costs of students in nonpublic placement settings.

Unanticipated increases in contracted obligations in Category 9 – Student Transportation requires a transfer in of \$200,000.

Category 10 – Operation of Plant, will receive an additional \$230,000 for rising utility costs.

Category 12 – Fixed Charges transfers in \$2,000,000 for increased expenses mainly due to high-cost claimants.

The school system appreciates your consideration of these categorical transfers to allow the most efficient use of end-of-year FY 2019 funding. Your approval of this categorical transfer will allow us to meet the state mandate and provide additional appropriations to the aforementioned state categories.

I am happy to answer any questions you may have at this time.



May 20, 2019

Christiana Mercer Rigby, Chairperson  
 Howard County Council  
 George Howard Building  
 3430 Court House Drive  
 Ellicott City, Maryland 21043

Dear Chairperson Rigby:

The Board of Education requests that the County Council authorize a categorical transfer of funds for the fiscal 2019 school system General Fund operating budget. This transfer moves a total of \$3,130,000 between categories. The transfers are summarized below:

**Summary of Requested Fiscal 2019 Categorical Appropriation Transfers**

Major Category	General Fund Budget	Year-End Transfer	Revised Appropriation
Administration	\$ 13,567,320	\$ (225,000)	\$ 13,342,320
Mid-Level Administration	62,658,494	(450,000)	62,208,494
Instructional Salaries and Wages	348,389,986	(1,160,000)	347,229,986
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Special Education	109,184,782	700,000	109,884,782
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Fixed Charges	184,960,057	2,000,000	186,960,057
Community Services	7,128,926	-	7,128,926
Capital Outlay	908,432	-	908,432
<b>Total</b>	<b>\$ 862,386,006</b>	<b>\$ -</b>	<b>\$ 862,386,006</b>



**Individual Transfers**

		From		To	
1	Administration	\$ (225,000)		\$ 225,000	Fixed Charges
2	Mid-Level Administration	(450,000)		450,000	Fixed Charges
3	Instructional Salaries and Wages	(460,000)		460,000	Fixed Charges
4	Textbooks & Instructional Supplies	(450,000)		450,000	Fixed Charges
5	Maintenance of Plant	(415,000)		415,000	Fixed Charges
6	Instructional Salaries and Wages	(700,000)		700,000	Special Education
7	Maintenance of Plant	(200,000)		200,000	Student Transportation
8	Maintenance of Plant	(230,000)		230,000	Operation of Plant

**Explanations:**

- 1-5 Transfer of available funds from the identified categories to Fixed Charges to offset the increased cost of healthcare due to an unanticipated number of high-cost claimants.
- 6 Transfer needed to fund unanticipated costs for Special Education Nonpublic placements.
- 7 Transfer to cover increases in Student Transportation contract obligations.
- 8 Transfer to cover unanticipated utility costs.

Thank you for your attention to this matter.

Sincerely,

Michael J. Martirano, Ed.D.  
Superintendent

- cc: Calvin Ball, County Executive  
 County Council Members  
 County Council Administrator  
 Board of Education Members  
 Board of Education Administrator  
 Jennifer Sager  
 Rafiu Ighile, HCPSS CFO



**BOARD OF EDUCATION OF HOWARD COUNTY  
MEETING AGENDA ITEM**

**TITLE:** FY 2019 Categorical Budget Transfer

**DATE:** April 11, 2019

**PRESENTER(S):** Stephanie Ennels

**Strategic Call To Action Alignment:**

Responsive and Efficient Operations: Operations and practices are responsive, transparent, fiscally responsible, and accountable, with students at the heart of all decisions.

**OVERVIEW:**

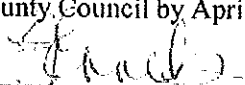
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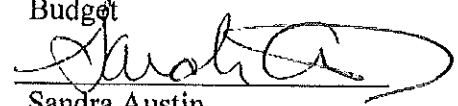
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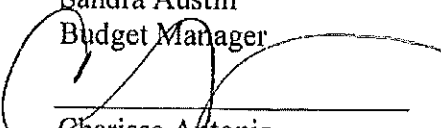
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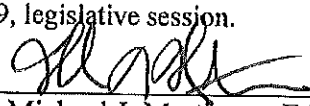
**SUBMITTED BY:**


  
Stephanie Ennels  
Director, Finance and  
Budget

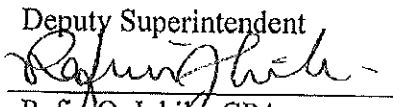
  
Sandra Austin  
Budget Manager

  
Charisse Antonio  
Accounting Manager

**APPROVAL/CONCURRENCE:**

  
Michael J. Martirano, Ed.D.  
Superintendent

  
Karalee Turner-Little  
Deputy Superintendent

  
Rafiu O. Ighide, CPA  
Chief Financial Officer

## **Details Regarding the FY 2019 Categorical Budget Transfer Request**

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Management has completed cost projections by category to predict FY 2019 cost-savings. Management used this information to predict what remaining funds each category may have available to address the need for funding in Fixed Charges, Special Education, Operation of Plant, and Student Transportation. The result of these efforts, along with continued monitoring of programs by Performance Managers and Business and Technology staff, allows for a requested transfer of \$2,000,000 to Fixed Charges, \$700,000 to Special Education, \$200,000 to Student Transportation, and \$230,000 to Operation of Plant. It is essential to be conservative at this time based upon the best available information, as COMAR requires that the school system not overspend any category.

### **Categorical Expenditures**

The current categorical transfer request for FY 2019 is \$3,130,000, which is 0.4 percent of budgeted expenditures. An explanation of the results by state category follows:

#### *Category 1 – Administration*

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#### *Category 2 – Mid-Level Administration*

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#### *Category 3 – Instructional Salaries and Wages*

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#### *Category 4 – Textbooks and Instructional Supplies*

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#### *Category 5 – Other Instructional Costs*

This category is comprised of commitments for contracted services, professional development, and equipment used to support the instructional program. This category is expected to fully utilize its budgeted funds.

#### *Category 6 – Special Education*

The Special Education category includes costs associated with the instructional needs of students receiving special education services. An additional \$700,000 is necessary in this category to cover nonpublic placement expenses that exceeded the appropriation.

*Category 7 – Student Personnel Services*

The Student Personnel Services category includes programs to improve student attendance and to solve student problems involving the home, school, and community. This category is expected to fully utilize its budgeted funds.

*Category 8 – Health Services*

The Student Health Services category provides staffing for school health rooms, maintains student health records, identifies health problems, enforces immunization laws, and provides other services. This category is expected to fully utilize its budgeted funds.

*Category 9 – Student Transportation*

The Student Transportation category provides funding for the transportation of students. Conservative budgeting in this category will not cover estimated expenditures. An additional \$200,000 is necessary in this category.

*Category 10 – Operation of Plant*

This category includes custodial salaries and the cost of utilities. An additional \$230,000 is necessary in this category to cover unanticipated utility expenses.

*Category 11 – Maintenance of Plant*

This category includes costs of building and grounds maintenance, and environmental maintenance. A savings of \$845,000 is projected in this category.

*Category 12 – Fixed Charges*

This category includes the cost of employee benefits and other fixed charges and costs such as vehicle insurance, retirement contributions, life insurance, workers' compensation contributions from the General Fund, unemployment insurance, and the early retirement program payments. A transfer of \$2,000,000 to this category will be applied to employee health insurance to lessen the current Health Fund deficit.

*Category 14 – Community Services*

This category provides for the usage of our facilities by the community, transportation for some parochial students in Howard County, grounds maintenance of school sites for community use, and other school system community services. This category is expected to fully utilize its budgeted funds.

*Category 15 – Capital Outlay*

The Capital Outlay category includes costs for planning, administration, and oversight of the Capital Budget. This category is expected to fully utilize its budgeted funds.

The following chart provides the Categorical Transfer request that will be submitted to the County Council.

**FY 2019 Categorical Transfer Request**

Category Number	Major Category	General Fund Budget	Year-End Transfer	Revised Appropriation
1	Administration	\$ 13,567,320	\$ (225,000)	\$ 13,342,320
2	Mid-Level Administration	62,658,494	(450,000)	62,208,494
3	Instructional Salaries and Wages	348,389,986	(1,160,000)	347,229,986
4	Textbooks & Instructional Supplies	9,823,425	(450,000)	9,373,425
5	Other Instructional Costs	3,128,717	-	3,128,717
6	Special Education	109,184,782	700,000	109,884,782
7	Student Personnel Services	3,641,641	-	3,641,641
8	Student Health Services	8,966,402	-	8,966,402
9	Student Transportation	41,216,993	200,000	41,416,993
10	Operation of Plant	42,593,699	230,000	42,823,699
11	Maintenance of Plant	26,217,132	(845,000)	25,372,132
12	Fixed Charges	184,960,057	2,000,000	186,960,057
14	Community Services	7,128,926	-	7,128,926
15	Capital Outlay	908,432	-	908,432
	<b>Total</b>	<b>\$ 862,386,006</b>	<b>\$ -</b>	<b>\$ 862,386,006</b>

**Individual Transfers**

	From		To
1	Administration	\$ (225,000)	\$ 225,000 Fixed Charges
2	Mid-Level Administration	(450,000)	450,000 Fixed Charges
3	Instructional Salaries and Wages	(460,000)	460,000 Fixed Charges
4	Textbooks & Instructional Supplies	(450,000)	450,000 Fixed Charges
5	Maintenance of Plant	(415,000)	415,000 Fixed Charges
6	Instructional Salaries and Wages	(700,000)	700,000 Special Education
7	Maintenance of Plant	(200,000)	200,000 Student Transportation
8	Maintenance of Plant	(230,000)	230,000 Operation of Plant

**Explanations:**

- 1-5 Transfer available funds from the identified categories to Fixed Charges to offset the Health Fund deficit.
- 6 Transfer needed to fund unanticipated costs for Special Education Nonpublic placements.
- 7 Transfer to cover increase to Student Transportation contract obligations.
- 8 Transfer to cover unanticipated utility costs.

HOWARD COUNTY COUNCIL  
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May 20, 2019

Christiana Mercer Rigby, Chairperson  
Howard County Council  
George Howard Building  
3430 Court House Drive  
Ellicott City, Maryland 21043

Dear Chairperson Rigby:

The Board of Education requests that the County Council authorize a categorical transfer of funds for the fiscal 2019 school system General Fund operating budget. This transfer moves a total of \$3,130,000 between categories. The transfers are summarized below:

#### Summary of Requested Fiscal 2019 Categorical Appropriation Transfers

Major Category	General Fund Budget	Year-End Transfer	Revised Appropriation
Administration	\$ 13,567,320	\$ (225,000)	\$ 13,342,320
Mid-Level Administration	62,658,494	(450,000)	62,208,494
Instructional Salaries and Wages	348,389,986	(1,160,000)	347,229,986
Textbooks & Instructional Supplies	9,823,425	(450,000)	9,373,425
Other Instructional Costs	3,128,717	-	3,128,717
Special Education	109,184,782	700,000	109,884,782
Student Personnel Services	3,641,641	-	3,641,641
Student Health Services	8,966,402	-	8,966,402
Student Transportation	41,216,993	200,000	41,416,993
Operation of Plant	42,593,699	230,000	42,823,699
Maintenance of Plant	26,217,132	(845,000)	25,372,132
Fixed Charges	184,960,057	2,000,000	186,960,057
Community Services	7,128,926	-	7,128,926
Capital Outlay	908,432	-	908,432
<b>Total</b>	<b>\$ 862,386,006</b>	<b>\$ -</b>	<b>\$ 862,386,006</b>





**Individual Transfers**

		From		To	
1	Administration	\$ (225,000)	\$ 225,000	Fixed Charges	
2	Mid-Level Administration	(450,000)	450,000	Fixed Charges	
3	Instructional Salaries and Wages	(460,000)	460,000	Fixed Charges	
4	Textbooks & Instructional Supplies	(450,000)	450,000	Fixed Charges	
5	Maintenance of Plant	(415,000)	415,000	Fixed Charges	
6	Instructional Salaries and Wages	(700,000)	700,000	Special Education	
7	Maintenance of Plant	(200,000)	200,000	Student Transportation	
8	Maintenance of Plant	(230,000)	230,000	Operation of Plant	

**Explanations:**

- 1-5 Transfer of available funds from the identified categories to Fixed Charges to offset the increased cost of healthcare due to an unanticipated number of high-cost claimants.
- 6 Transfer needed to fund unanticipated costs for Special Education Nonpublic placements.
- 7 Transfer to cover increases in Student Transportation contract obligations.
- 8 Transfer to cover unanticipated utility costs.

Thank you for your attention to this matter.

Sincerely,

Michael J. Martirano, Ed.D.  
Superintendent

- cc: Calvin Ball, County Executive  
County Council Members  
County Council Administrator  
Board of Education Members  
Board of Education Administrator  
Jennifer Sager  
Rafiu Ighile, HCPSS CFO