



BOARD OF EDUCATION OF HOWARD COUNTY
MEETING AGENDA ITEM

TITLE: FY 2023 CATEGORICAL BUDGET TRANSFER

DATE: APRIL 13, 2023

PRESENTER(S): Darin Conforti, Executive Director of Budget

Strategic Call To Action Alignment:

Responsive and Efficient Operations: Budget processes are transparent, aligned with system priorities, and follow best practices.

OVERVIEW:

The year-end categorical transfer recommended for the Board's approval proposes to transfer funds between state categories to address budget authority needed in categories 05 and 10.

Accordingly, the following FY 2023 General Fund categorical transfers are recommended, including:


- Transfer of available budget authority from Instructional Salaries and Wages (Category 03) from salary vacancy savings to Other Instructional Costs (Category 05) to cover all cost for the Dual Enrollment program which Maryland State Department of Education (MSDE) has determined should be 100% covered by the Local Education Agencies (LEA).
- Transfer of available budget authority from Student Transportation (Category 09) from contractual savings to Operation of Plant (Category 10) to cover the increases in utility rates.

RECOMMENDATION/FUTURE DIRECTION: It is recommended that the Board approve the categorical transfer request to be submitted to the County Council by April 20, 2023, for action at its June 5, 2023 legislative session.

SUBMITTED BY:

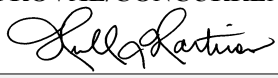
 *for D.C.*

Darin Conforti
Executive Director of Budget




Sandra Austin
Budget Coordinator

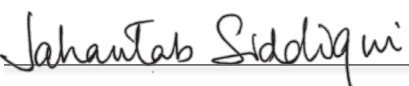
APPROVAL/CONCURRENCE:



Michael J. Martirano, Ed.D
Superintendent



Karalee Turner-Little, Ph.D.
Deputy Superintendent



Jahantab A. Siddiqui
Chief Administrative Officer

Categorical Expenditures

The categorical transfer request for FY 2023 includes transferring \$800,000 in projected salary budget savings due to vacancy savings from Instructional Salaries and Wages Category 03 to Other Instructional Costs Category 05 to cover Dual Enrollment expenses and \$300,000 from contracted savings in Student Transportation Category 09 to Operation of Plant Category 10 to cover increases in utility rates.

Category 1 – Administration

This category includes costs for activities associated with the general regulations, direction, and control of the school system. This category is expected to utilize its budgeted funds.

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, and temporary employee services. This category is expected to utilize its budgeted funds.

Category 3 – Instructional Salaries and Wages

This category funds instructional salaries and wages. Salary savings have been identified to meet the Dual Enrollment needs in Other Instructional Costs, Category 05.

Category 4 – Textbooks and Instructional Supplies

This category is comprised of expenditures and commitments for textbooks and instructional supplies for all schools. This category is expected to utilize its budgeted funds.

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 categorical request includes \$800,000 of additional budget to be added to this category to meet the Maryland State Department of Education (MSDE) updated requirement that 100% of all high school pathways expenses be paid for by the Local Education Agencies (LEA). The Dual Enrollment program requires additional budget authority to meet this requirement.

Category 6 – Special Education

The Special Education category includes costs associated with the instructional needs of students receiving special education services. This category is projected to utilize its budgeted funds.

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 utilize its budgeted funds.

Category 8 – Health Services

The 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 utilize its budgeted funds.

Category 9 – Student Transportation

The Student Transportation category provides funding for the transportation of students. This category has identified savings from overall program efficiencies as well as from the bus driver shortage in order to meet the utility needs in Operation of Plant, Category 10.

Category 10 – Operation of Plant

This category includes custodial salaries and the cost of utilities. This categorical request includes \$300,000 of additional budget authority to be added to this category to cover the additional costs in utilities due to increases in utility rates.

Category 11 – Maintenance of Plant

This category includes costs of building, grounds, and environmental maintenance. This category is expected to utilize its budgeted funds.

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, and unemployment insurance. This category is expected to utilize its budgeted funds.

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 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 utilize its budgeted funds.

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

FY 2023 Categorical Transfer Request

Major Category	General Fund Budget	Year-End Transfer	Revised Appropriation
State_Cat_01 Administration	\$ 15,334,620		\$ 15,334,620
State_Cat_02 Mid-Level Administration	66,234,353		66,234,353
State_Cat_03 Instructional Salaries & Wages	394,180,658	(800,000)	393,380,658
State_Cat_04 Instructional Textbooks & Supplies	10,275,444		10,275,444
State_Cat_05 Other Instructional Costs	12,285,817	800,000	13,085,817
State_Cat_06 Special Education	156,011,247		156,011,247
State_Cat_07 Student Personnel Services	8,546,420		8,546,420
State_Cat_08 Student Health Services	11,715,622		11,715,622
State_Cat_09 Student Transportation	51,656,413	(300,000)	51,356,413
State_Cat_10 Operation of Plant	48,237,284	300,000	48,537,284
State_Cat_11 Maintenance of Plant	28,136,861		28,136,861
State_Cat_12 Fixed Charges	223,641,174		223,641,174
State_Cat_14 Community Services	5,086,111		5,086,111
State_Cat_15 Capital Outlay	1,106,591		1,106,591
Total	\$ 1,032,448,615	\$ -	\$ 1,032,448,615

Individual Transfers

	From		To	
1	State_Cat_03 Instructional Salaries & Wages	\$ (800,000)	State_Cat_05 Other Instructional Costs	\$ 800,000
2	State_Cat_09 Student Transportation	(300,000)	State_Cat_10 Operation of Plant	300,000

Explanations:

- 1 Transfer needed to cover Dual Enrollment tuition required by Maryland State Department of Education (MSDE).
- 2 Transfer needed to cover utility expenses due to increased utility rates.