# County Council of Howard County, Maryland

2023 Legislative Session

Legislative Day No. 5

**Resolution No. 65 -2023**

Introduced by: The Chairperson at the request of the County Executive

**A RESOLUTION** approving certain transfers between major categories of the Howard County Board of Education Operating Budget for Fiscal Year 2023; transferring a total of $800,000 to Other Instructional Costs and $300,000 to Operation of Plant; and generally relating to the Fiscal Year 2023 Operating Budget of the Board of Education.

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Introduced and read first time May 1, 2023.

By order Michelle Harrod
Michelle Harrod, Administrator

Read for a second time at a public hearing on May 15, 2023.

By order Michelle Harrod
Michelle Harrod, Administrator

This Resolution was read the third time and was Adopted__, Adopted with amendments ✓, Failed__, Withdrawn__, by the County Council on June 5, 2023.

Certified By Michelle Harrod
Michelle Harrod, Administrator

Approved by the County Executive June 6, 2023

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

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

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

**WHEREAS**, on May 25, 2022, the County Council adopted Council Resolution No. 60-2022 ("CR60") that sets forth the Fiscal Year 2023 Operating Budget for the Board of Education; and

**WHEREAS,** the County Council has received a request from the Board of Education to transfer, in the Fiscal Year 2023 operating budget, a total of (1) $800,000 to Other Instructional Costs from Instructional Salaries and Wages and (2) $300,000 to Operation of Plant from Student Transportation Categories; and

**WHEREAS**, this transfer is necessary to cover all costs for the Dual Enrollment Program which the Maryland State Department of Education (MSDE) has determined should be 100% covered by the Local Education Agencies (LEA) and funding is available in Instructional Salaries and Wages due to vacancies; and

**WHEREAS**, this transfer also accounts for an increase in utility costs by transferring funding to the Operation of Plant category from the Student Transportation category where funding is available due to contractual savings; and

**WHEREAS,** the Board of Education has indicated that the funds are available for transfer from the respective categories.

**NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County, Maryland this 5 day of June, 2023 that it approves the transfers between major categories of the Fiscal Year 2023 expense fund budget of the Howard County Board of Education as shown below:

## FY 2023 Categorical Transfer Request

| | CR60-2022 | Categorial Transfer | Revised Appropriation |
|---|---|---|---|
| **General Fund** | | | |
| 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 | ~~156,011,247~~ 8,546,420 | | 8,546,420 |
| State Cat 08 Health Services | ~~8,546,420~~ 11,715,622 | | 11,715,622 |
| State Cat 09 Transportation | ~~11,715,622~~ 51,656,413 | (300,000) | 51,356,413 |
| State Cat 10 Operation of Plant | ~~51,656,413~~ 48,237,284 | 300,000 | 48,537,284 |
| State Cat 11 Maintenance | ~~48,237,284~~ 28,136,861 | | 28,136,861 |
| State Cat 12 Fixed Charges | ~~28,136,861~~ 223,641,174 | | 223,641,174 |
| State Cat 14 Community Services | ~~223,641,174~~ 5,086,111 | | 5,086,111 |
| State Cat 15 Capital Outlay | ~~5,086,111~~ 1,106,591 | | 1,106,591 |
| **Total** | **$1,032,448,615** | | **$ 1,032,448,615** |
| | | | |
| **Restricted Funds** | **$380,892,796** | | **$380,892,796** |
| School Construction | 105,887,000 | | 105,887,000 |
| Food and Nutrition | 18,218,024 | | 18,218,024 |
| Print Services | 2,709,154 | | 2,709,154 |
| Information & Network Technology Services | 17,823,537 | | 17,823,537 |
| Health | 183,740,223 | | 183,740,223 |
| Worker's Compensation | 2,819,200 | | 2,819,200 |
| Grants | 49,227,746 | | 49,227,746 |
| Glenelg Wastewater Treatment Plant | 242,912 | | 242,912 |
| Jim Rouse Theater | 225,000 | | 225,000 |
| **Other Expenses Paid by County** | **$56,266,495** | | **$56,266,495** |
| Debt Service | 48,747,588 | | 48,747,588 |
| OPEB | 7,518,907 | | 7,518,907 |
| **Total General Fund, Restricted Funds and Other Expense Budget** | **$1,469,607,906** | | **$1,469,607,906** |

*ACTION*

Howard County Public School System

# 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.

**Amendment 1 to Council Resolution No. 65-2023**

**BY: The Chairperson at the request of the County Executive**

**Legislative Day 6**
**Date: June 5, 2023**

**Amendment No. 1**

*(This amendment corrects the table attached to the Resolution as filed. In the table, a cell was repeated starting with State Category 07, Student Personnel Services, which resulted in subsequent incorrect amounts.)*

1 On page 2, amend the chart as shown in the attached.

**I certify this is a true copy of**
Am 1 to CR 65-2023
**passed on** June 5, 2023
Michele Harrod
**Council Administrator**

## FY 2023 Categorical Transfer Request

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| **Total General Fund, Restricted Funds and Other Expense Budget** | **$1,469,607,906** | | **$1,469,607,906** |

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on _____, 2023.

_____
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2023.

_____
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2023.

_____
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2023.

_____
Diane Schwartz Jones, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2023.

_____
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2023.

_____
Michelle R. Harrod, Administrator to the County Council