

**Office of the County Auditor**  
**Auditor's Analysis**

**Council Resolution No. 63-2025**

Introduced: March 3, 2025

Auditor: Diane Zagorski-Kelly

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Fiscal Impact:

There is no direct fiscal impact as a result of this legislation. However, approval of this legislation is necessary prior to the Howard County Public School System (HCPSS) applying to the Interagency Commission on School Construction (IAC) for State funding in the Fiscal Year 2026 Capital Budget.

The Board of Education's (BOE) Proposed FY 2026 Capital Budget request of \$86,746,000 (submitted to the IAC after approval of CR151-2024) will be amended to reflect \$100,644,000 if this legislation is approved. The actual appropriation and sources of financing will occur as requested by the County Executive and approved by the County Council in the Annual Budget and Appropriation Ordinance.

The increase of \$13,898,000 for HCPSS's anticipated amended request includes:

- Approximately \$4,745,000 of local County funding and approximately \$4,444,000 of State Capital Improvement Program (CIP) submission.
- An additional \$4,709,000 request of State CIP funding for West Friendship ES Septic and Well project in the Systemic Renovations project (E1058).

The \$4.709 million request for the West Friendship ES Septic and Well project was included in prior capital budgets (FY23, FY24, and FY25) and received a cumulative total of \$6.378 million in local County funding and \$4.868 million in State CIP funding. This project is being resubmitted to the State after a previous rescission due to uncertainty with Maryland Department of Environment approval process and cost of scope increases and does not require an additional local match.

Purpose:

This legislation approves the BOE's amended Capital Budget Request for FY 2026 and CIP Request for FY 2027-2031 for the purpose of submission to the IAC. These requests are necessary if the County is to be considered for IAC grant funding.

Other Comments:

In May 2025, the County Council will adopt the FY 2026 Capital Budget, which will be followed by the BOE adopting the final Capital Budget.

According to the HCPSS, the State CIP funding consists of new authorization through the Maryland Consolidated Capital Bond Loan, prior year Enrollment Growth and Relocatable Classrooms, and Local Education Agency Reserve Account funds. At this time, the HCPSS does not anticipate any impact to the availability of State CIP funding as a result of any recent, or pending, state or federal funding changes.

**Attachment A** provides an overview of changes identified in Systemic Renovations Project (E1058) and Roofing Project (E1059) between this proposed FY 2026 BOE Capital Budget supplemental request to the IAC and the original FY 2026 BOE Capital Budget.

**Attachment B** provides comparison of local and state CIP request between CR63-2025 and CR151-2025.

## **Attachment A**

### **Board of Education's FY 2026 Amended Capital Budget Request for IAC Auditor's Notes**

Please see the following notes based on review of the proposed FY 2026 BOE Capital Budget amendment to the IAC and the original FY 2026 BOE Capital Budget for Systemic Renovations Project (E1058) and Roofing Project (E1059).

- According to the HCPSS, the following are FY 2026 planned projects (E1059) that make up the total of approximately \$18,589,000 requested:
  - Guilford ES Roof for \$2,200,000
  - Clarksville ES Roof for \$2,760,000
  - Worthington ES Roof for \$2,590,000
  - Forest Ridge ES Roof for \$3,934,000
  - Howard HS Roof for \$1,821,700
  - Clarksville MS roof for \$3,379,000
  - Completion of Triadelphia Ridge ES, Clemens Crossing ES, and a contingency reserve for \$1,904,000
  
- According to the HCPSS, if funding is received from both local County (\$4,745,000) and State CIP (\$4,444,000) sources, no additional funding requests are anticipated to complete the following roofing and/or systemic renovations projects. However, the HCPSS will continue to monitor the projects due to uncertainty with material costs.
  - Forest Ridge ES Roof
  - Howard High School Roof
  - Atholton Elementary Elevator
  - Oakland Mills High School Gym AC
  - Reservoir High School Gym AC
  
- The \$10 million request for Built to Learn Program funding for Oakland Mills Middle School will remain unchanged.

**Attachment B**

CR63-2025

Comparison of CR151-2024 vs. CR63-2025

Legislation	Description	Amount
CR 63-2025	FY26 IAC Supplemental Submission	\$ 100,644,000
CR 151-2024	FY26 IAC Submission	\$ (86,746,000)
	Difference	\$ <b>13,898,000</b>
<b>Total FY26 IAC Change Request</b>		\$ <b>13,898,000</b>
	Amended Local Request	\$ (4,745,000)
	Amended State CIP Request	\$ (9,153,000)
		\$ -
<b>Total FY26 State CIP Funding Request</b>		\$ <b>9,153,000</b>
	Amended State CIP Request	\$ (4,444,000)
	West Friendship ES Septic & Well Request	\$ (4,709,000)
		\$ -

<u>Systemic Renovations</u>	FY 2026 Local		
	CR151-2024	CR63-2025	Change
Systemic Renovations	\$ 33,495,000	\$ 35,286,000	\$ 1,791,000
Roofing	3,699,000	6,653,000	\$ 2,954,000
Total	\$ 37,194,000	\$ 41,939,000	\$ <b>4,745,000</b>

<u>Systemic Renovations</u>	FY 2026 State CIP		
	CR151-2024	CR63-2025	Change
Systemic Renovations	\$ 10,895,000	\$ 17,246,000	\$ 6,351,000
Roofing	3,851,000	6,653,000	\$ 2,802,000
Total	\$ 14,746,000	\$ 23,899,000	\$ 9,153,000
			\$ (4,709,000) West Friendship ES Septic & Well
			\$ <b>4,444,000</b> Total Minus West Friendship ES Septic & Well