



MEMORANDUM

TO: Members of the Board of Education

FROM: William J. Barnes, Superintendent

DATE: June 26, 2025

SUBJECT: Summary of Board Education FY 2026 Supplemental Appropriation and Categorical Transfer Request

The purpose of this memorandum is to provide the Board of Education and County Council with a summary of final actions taken by the Board that constitute the requested supplemental appropriation and categorical transfers submitted for approval.

On May 21, 2025, the County Council approved the FY 2026 operating budget for the Howard County Public School System (HCPSS) General Fund in the amount of \$1,206,424,377. Subsequently, on June 12, 2025, the Board of Education adopted a revised approved budget totaling \$1,216,275,143. Accordingly, the Board is requesting the County Council's approval of a supplemental appropriation in the amount of \$9,850,766.

The proposed additional funding will be drawn from the following sources:

- \$757,758 – Increase in State Revenues
- \$2,500,000 – Increase in investment income (other revenues)
- \$1,000,000 – Increase in other revenues from a special revenue account
- \$450,000 – Increase in other revenues (summer school tuition)
- \$3,000,000 – Transfer from the Health Insurance Fund
- \$2,143,008 – Increase in use of General Fund unassigned fund balance

As part of the final budget balancing actions, the Board is also requesting approval to:

- Increase the total expenditure authority by \$9,850,766
- Authorize categorical transfers among State budget categories to align with adopted FY 2026 funding needs

These adjustments are necessary to support existing service commitments, employee compensation and benefits, and other Board priorities in the FY 2026 Budget.

Additionally, the revised approved budget includes:

- Changes to other funds in alignment with General Fund adjustments
- Technical adjustments to the Restricted Fund, including the appropriation of carryover grant funds

The attached schedules summarize the requested changes in detail.

**FY26 Council Adopted Budget
Comparison to BOE Revised Approved**

	County Council Adopted	BOE Revised Approved	Difference To Council Adopted
GENERAL FUND			
REVENUES			
County Funding			
Maintenance of Effort (MOE)	\$ 760,721,186	\$ 760,721,186	\$ -
Above MOE	53,778,814	53,778,814	-
Subtotal Recurring	814,500,000	814,500,000	-
Non-Recurring	1,505,000	1,505,000	-
County Total	816,005,000	816,005,000	-
State Revenue	375,415,508	376,173,266	757,758
Other Revenues	8,003,869	11,953,869	3,950,000
Technology Fund Transfer	7,000,000	7,000,000	-
Health Insurance Fund Transfer		3,000,000	3,000,000
Use of Fund Balance	-	2,143,008	2,143,008
TOTAL REVENUES	\$ 1,206,424,377	\$ 1,216,275,143	\$ 9,850,766

EXPENDITURES

	County Council Adopted	BOE Revised Approved	Difference To Council Adopted
State Category			
01-Administration	\$ 15,341,000	\$ 14,388,369	\$ (952,631)
02-Mid-Level Administration	70,958,000	73,840,630	2,882,630
03-Instructional Salaries and Wages	446,864,222	440,542,233	(6,321,989)
04-Instructional Textbooks/Supplies	8,286,000	8,010,840	(275,160)
05-Other Instructional Costs	21,590,000	20,021,010	(1,568,990)
06-Special Education	198,687,000	198,657,991	(29,009)
07-Student Personnel Services	11,008,000	12,388,807	1,380,807
08-Student Health Services	13,638,000	13,379,803	(258,197)
09-Student Transportation	73,140,000	74,313,904	1,173,904
10-Operation of Plant	56,321,000	61,226,241	4,905,241
11-Maintenance of Plant	28,739,000	32,633,462	3,894,462
12-Fixed Charges	258,920,813	263,918,156	4,997,343
14-Community Services	1,741,342	1,725,346	(15,996)
15-Capital Outlay	1,190,000	1,228,351	38,351
Totals	\$ 1,206,424,377	\$ 1,216,275,143	\$ 9,850,766

SUPPLEMENTAL APPROPRIATION CHANGES FOR OTHER FUNDS

	County Council Adopted	BOE Revised Approved	Difference To Council Adopted
Restricted Fund	\$ 72,086,958	91,591,457	19,504,499
Print Services Fund	2,670,674	2,608,454	(62,220)
Technology Services Fund	30,064,109	28,407,244	(1,656,865)
Health Insurance Fund	245,328,455	240,338,361	(4,990,094)
	\$ 350,150,196	\$ 362,945,516	\$ 12,795,320

Should you have any questions, please contact M. Brian Hull, Chief Financial Officer at Brian_Hull@hcpss.org.

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