



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

**TITLE:** FY 2016 Categorical Budget Transfer **DATE:** April 14, 2016

**PRESENTER(S):** Beverly Davis, Executive Director of Budget and Finance

**VISION 2018 GOAL:**  Students  Staff  Families and Community  Organization

**OVERVIEW:**

In FY 2016, the Board approved a mid-year step increase after approval of the Operating Budget. To fund this increase, management instituted cost saving strategies and identified cost cutting such as reductions in textbook purchases. An early retirement program offered in 2015 provided cost savings in FY 2016 of \$4.3 million, which helped fund this increase. The incentive payments, however, were not budgeted in the Fixed Charges category in the FY 2016 budget. Therefore, transfers of salary savings from the early retirement program and other cost savings to Fixed Charges are necessary.

Details of the categorical transfers are included in the request.

The transfer must be officially submitted to the County Council on May 2, 2016, to allow Council action at the June 6, 2016, legislative session. Before June 2, 2016, 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 transfer request to be submitted to the County Council for action at its June 2016 legislative session.

<b>SUBMITTED BY:</b>	Beverly J. Davis, CPA Executive Director, Budget and Finance	<b>APPROVAL/CONCURRENCE:</b>	Renee A. Foose, Ed.D. Superintendent
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### FY 2016 Categorical Transfer Request

Major Categories	General Fund Budget	Year-End Transfer	Revised Appropriation
Administration	\$ 12,450,033	\$ (50,000)	\$ 12,400,033
Mid-Level Administration	59,017,689	(408,000)	58,609,689
Instructional Salaries	318,875,974	(3,229,000)	315,646,974
Textbooks & Instructional Supplies	12,503,227	(750,000)	11,753,227
Other Instructional Costs	3,414,360	-	3,414,360
Special Education	94,081,283	(490,000)	93,591,283
Student Personnel Services	3,139,291	90,000	3,229,291
Health Services	7,642,556	175,000	7,817,556
Student Transportation	38,294,625	(712,000)	37,582,625
Operation of Plant	43,333,229	(2,897,000)	40,436,229
Maintenance of Plant	24,164,656	1,131,000	25,295,656
Fixed Charges	151,805,740	7,300,000	159,105,740
Community Services	6,716,238	(90,000)	6,626,238
Capital Outlay	899,479	(70,000)	829,479
<b>Total</b>	<b>\$ 776,338,380</b>	<b>\$ -</b>	<b>\$ 776,338,380</b>

#### Individual Transfers

	From		To	
1	Administration	\$ (50,000)	\$ 50,000	Fixed Charges
2	Mid-Level Administration	(233,000)	233,000	Fixed Charges
3	Instructional Salaries	(3,229,000)	3,229,000	Fixed Charges
4	Textbooks & Instructional Supplies	(750,000)	750,000	Fixed Charges
5	Special Education	(490,000)	490,000	Fixed Charges
6	Transportation	(712,000)	712,000	Fixed Charges
7	Operation of Plant	(1,766,000)	1,766,000	Fixed Charges
8	Capital Outlay	(70,000)	70,000	Fixed Charges
9	Operation of Plant	(1,131,000)	1,131,000	Maintenance of Plant
10	Mid-Level Administration	(175,000)	175,000	Health Services
11	Community Services	(90,000)	90,000	Student Personnel Services

**Explanations:**

1.- 8. Transfers available funds from Administration, Mid-Level Administration, Instructional Salaries, Textbooks & Instructional Supplies, Special Education, Transportation, Operation of Plant, and Capital Outlay to fund the early retirement program and increase pension costs.

9. Transfers available funds in Operation of Plant to Maintenance of Plant to fund urgent maintenance projects.

10. Transfers available funding from Mid-Level Administration to Health Services to cover increase in salary costs attributed to the change of health assistant positions into nurse positions as vacancies arise.

11. Transfers available funding in Community Services to Student Personnel Services to fund salary costs associated with realignment of staff to the program where services are provided.