



**The Superintendent's
Recommended**

Operating Budget in Brief FY 2013

**Montgomery County
Public Schools**

Rockville, Maryland

**Recommended to the
Board of Education
December 2011**

Joshua P. Starr

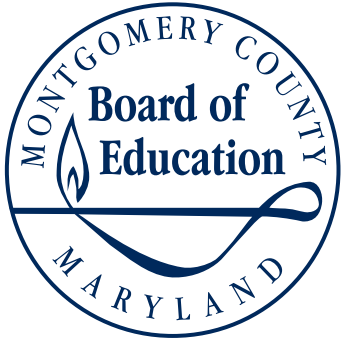
*Superintendent
of Schools*

**Fiscal and School
Year Ending
June 30, 2013**



Malcolm Baldrige
National Quality Award

2010 Award Recipient



VISION

A high-quality education is the fundamental right of every child. All children will receive the respect, encouragement, and opportunities they need to build the knowledge, skills, and attitudes to be successful, contributing members of a global society.



montgomeryschoolsmd.org

Check out the MCPS website for more detailed information about the FY 2013 Recommended Operating Budget.

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MONTGOMERY COUNTY PUBLIC SCHOOLS
MARYLAND
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December 7, 2011



Dear Members of the Board of Education:

I am pleased to submit for your consideration my Recommended Fiscal Year (FY) 2013 Operating Budget for Montgomery County Public Schools (MCPS).

This is the first operating budget recommendation I have submitted since I proudly began my tenure as superintendent of schools on July 1, 2011. It was important as I developed this recommendation that I was able to take an objective look at the landscape of MCPS, including its programs, structure, and operations. It was equally important that I heard from the many stakeholders in our school system—our staff, our students, and our community. And, as you know, the Board of Education shared its budget interests with me earlier this fall.

This budget recommendation is the culmination of tremendous external and internal input, and I believe it reflects the priorities of our community while balancing the economic realities we are facing.

I am recommending a \$2.128 billion budget for FY 2013. This represents a \$41.4 million—or 2 percent—increase over this fiscal year and will allow us to keep pace with projected enrollment growth of 2,250 students. Our current enrollment of 146,497 students reflects dramatic growth in our district at a time when the economic downturn has required austerity. It is important to point out that this is the smallest percentage increase requested over the past 12 years.

Since 2007, we have added approximately 9,000 students—more than the enrollment of the entire Walter Johnson Cluster—and the district is projected to add another 9,000 students by 2017. Much of this growth has occurred in our elementary schools, meaning these are students who will be a part of our system for many years to come. These students are coming to MCPS requiring more services, such as Free and Reduced-price Meals (FARMS) subsidies and English for Speakers of Other Languages (ESOL) services. For instance, approximately 13.1 percent of our students require ESOL services systemwide, but in the elementary schools that rate increases to 22.5 percent and has increased more than six percentage points in five years. At the same time, since 2007, the number of students eligible for FARMS subsidies has increased by 11,785 children systemwide, much of this growth again occurring in elementary schools.

Yet, in this time of dramatic growth and change, our operating budget has been stagnant, and since FY 2010, our funding has dropped nearly \$1,000 per student. This cannot continue if MCPS is going to maintain its well-earned reputation as one of the best school districts in the nation. As a community, we must maintain, and even increase, our commitment to education. As a school district, we must commit to focusing our priorities and maximizing our resources around what matters most—improving teaching and learning.

Office of the Superintendent of Schools

850 Hungerford Drive, Room 122 ♦ Rockville, Maryland 20850 ♦ 301-279-3381

Developing the Budget Recommendation

Developing this budget recommendation began even before my first day as superintendent of schools. In June, I asked a Transition Team of outside experts and district staff to review the three major components of MCPS—teaching and learning, operations, and culture/context. The Transition Team’s mission was to provide me with a solid understanding of the district’s strengths and current and future challenges, as well as recommendations of areas for deeper review. On September 19, 2011, the team released its report, which provided an overview of the three components and made recommendations in five broad areas:

- Differentiation within and among schools, classrooms, and students
- Communications and relationships with stakeholders
- Implementation of vision, mission, and policies in practice
- Design and delivery of professional development initiatives
- Issues of race and equity

After the school year began on August 29, I initiated an entry plan that provided several opportunities for me to hear from and speak with our parents, students, staff, and community members. During 17 “Listen and Learn” sessions with the community and employees, two student town halls, more than 50 school visits, and numerous individual and group meetings, I received honest feedback from thousands of stakeholders in MCPS. The comments, questions, and concerns raised were as diverse as our community.

In September, the Board of Education worked with me to identify its budget interests for FY 2013. I feel it is important that a superintendent develop recommendations with an understanding of what the Board values. Areas of agreement are clear to see and areas of disagreement may be respectfully discussed. The Board also held two Community Conversation events in October in which staff and community members shared their budgetary and programmatic priorities for the coming year.

The objectivity of the Transition Team and the input of all stakeholders, combined with an understanding of the Board’s budget interests, were invaluable in helping our Budget Review Team develop this recommendation.

As has now become a standard practice at MCPS, this budget recommendation was developed in partnership with our employee associations—The Montgomery County Education Association (MCEA), the Montgomery County Association of Administrators and Principals (MCAAP), and the Supporting Services International Union (SEIU) Local 500—as well as the Montgomery County Council of Parent Teacher Associations (MCCPTA). This collaborative working environment is a large part of what makes MCPS a great school system and is why this district has continued to thrive even in difficult economic times. I commend and sincerely thank MCEA, MCAAP, SEIU, and MCCPTA for their partnership, their honesty, and their unwavering commitment to our students.

Maintaining Commitments

The economic downturn that has hit our region and our country has had a dramatic impact on MCPS, its employees, and students. Over the past four years, we have saved more than \$430 million in our operating budget through programmatic cuts, mid-year savings through hiring freezes and expenditure restrictions.. In order to meet these fiscal realities during a time of significant enrollment growth, a number of difficult decisions had to be made by the Board and my predecessor, Dr. Jerry D. Weast:

- Class sizes have increased an average of about one student per classroom;
- Employees have agreed to forego cost-of-living increases for three consecutive years and step increases for the past two years, saving \$144 million;
- More than 1,300 positions have been eliminated districtwide, mostly teachers and staff who directly supported instruction;
- Our central services budget has been reduced by more than 20 percent.

These types of reductions cannot continue if MCPS is going to keep up with its growing enrollment and the increased needs of our students. However, I am mindful that the economy—while showing some signs of improvement—is still stagnant. Therefore, my budget recommendation simply meets the state’s Maintenance of Effort (MOE) provision, which requires the county to fund education at the same per-pupil level in FY 2013 as it did the current fiscal year. However, I cannot stress strongly enough the importance of meeting MOE.

As you are aware, Montgomery County has not met MOE for the past three years and this past year, their actions have “rebased” maintenance of effort at a level that is \$1,490 per student lower than it was just four years ago. Of additional concern, the county did not seek a waiver from the MOE provision this year and, as a result, the state is expected to withhold \$26 million in FY 2013 funding as a penalty. It is our expectation that this money will be restored to our budget by the county.

Despite the difficult economy and dramatic budget reductions, MCPS students have continued to achieve at extremely high levels. For example:

- Half of MCPS graduates from the Class of 2011 earned a 3 or higher on at least one Advanced Placement (AP) exam, far exceeding the performance of the state and the nation.
- The Class of 2011 also scored an average of 1637 on the SAT, which is 145 points higher than graduates from the state of Maryland and 137 points higher than graduates nationwide.
- Ninety-two percent of MCPS kindergarten students are reading at grade level (text level 4) and more than three-quarters are reading well above grade level (text level 6). Since 2006, the percentage of students reading at text level 6 or higher has increased 20 percentage points.

These results, under difficult economic circumstances, could not have been accomplished without the dedication and hard work of our staff. They have not allowed diminishing resources to serve as an excuse or an obstacle and, in fact, have made difficult personal sacrifices to help us maintain our level of service to our students. It is time we acknowledge their efforts and partnership. To that end, funds for step and longevity increases for eligible employees are included in this budget recommendation. Additionally, \$8 million has been set aside as we continue collective bargaining with our employee associations.

Focusing Resources

While we must ask our community to maintain its commitment to education, we must also be committed to making sure our resources are being spent efficiently and effectively.

While MCPS has certainly had many successes, based on my own observations and the input of many stakeholders, there is broad concern that the district is not adequately focused. To sustain our success in a time of growth and change, we must use our resources to support the strategies and programs that have the greatest impact on student learning. It is my belief that we must invest our time, energy, and resources in three specific areas—professional development, interventions, and community engagement.

As part of the budgeting process, I am initiating some structural changes and requesting funding in some of these areas. These changes will have a minimal impact on the budget but, hopefully over time, will have a significant impact on how we serve our students.

We will reorient our central services personnel and resources to build a well-aligned structure that directly supports principals and their schools. The details of this reorientation are being mapped out and any changes will take effect on July 1, 2012.

Additionally, I am seeking \$170,000 for 3.4 positions to expand hours-based staffing in three of our middle schools. Currently 31 of our 38 schools use hours-based staffing and this is the first step toward bringing the remaining seven schools into this effective method of planning for and delivering special education

services. I am also requesting \$100,000 as seed money to expand the Advancement Via Individual Determination (AVID) Program in up to five of our middle schools. The AVID college readiness system provides a system of interventions, teacher training, and strategies that will help students stay focused on and prepare for postsecondary education.

This budget represents a first step in the process of taking an already great school system and making it even better. I look forward to collaborating with our staff, our community, and the Board on this important work in the coming months.

Sincerely,

A handwritten signature in black ink, appearing to read "Joshua P. Starr". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Joshua P. Starr, Ed.D.
Superintendent of Schools

Table of Contents

**FY 2013 Superintendent's Recommended
Operating Budget in Brief**

	Page
<u>Summary of Charts:</u>	
Table 1: Summary of Resources by Object of Expenditure	1
Table 1A: Summary of Budget Changes	2
Table 2: Budget Revenues by Source	3
Table 3: Revenue Summary for Grant Programs by Source	5
Table 4: Summary of Student Enrollment	7
Summary of Expenditures and Revenue	8
Table 5: Allocation of Staffing	10
FY 2013 Organization Chart	11
Summary of Negotiations	12
Cost Per Student by Grade Span	13
Expenditures by State Budget Category	14
<u>FY 2013 Operating Budget Fact Sheets:</u>	
Operating Budget Summary	15
Operating Budget Process	18
Operating Budget Alignment with the Strategic Plan & Fiscal Challenges	20
FY 2013 Budget Efficiencies and Reductions	22
Summary of Previous Budget Reductions	30
Program Realignments	40
Productivity and Resource Sharing	42
School Resource Allocations	44
Special Education	46
ESOL/Bilingual Programs	48
Parent and Community Partnerships	51
Accelerated and Enriched Instruction	53
Human Resources and Professional Development	55
Shared Accountability	58
Enrollment	59
New Schools	61
Continuing Salaries	62

Employee Benefits	63
Inflation and Other Cost Changes.....	65
Local Revenue and Maintenance of Effort	67
State Revenue	69
Federal Grants.....	70
Public Engagement and the Operating Budget.....	71
Budget Transparency and Publications	72
Audit.....	73

TABLE 1
SUMMARY OF RESOURCES
BY OBJECT OF EXPENDITURE

OBJECT OF EXPENDITURE	FY 2011 ACTUAL	FY 2012 BUDGET	FY 2012 CURRENT	FY 2013 BUDGET	FY 2013 CHANGE
POSITIONS					
Administrative	702,200	700,000	701,000	700,000	(1,000)
Business/Operations Admin.	94,000	92,000	92,000	92,000	
Professional	11,733,280	11,744,730	11,744,730	11,905,180	160,450
Supporting Services	8,221,203	8,072,971	8,074,496	8,121,551	47,055
TOTAL POSITIONS	20,750,683	20,609,701	20,612,226	20,818,731	206,505
01 SALARIES & WAGES					
Administrative	\$88,238,002	\$87,674,924	\$87,674,924	\$88,380,966	\$706,042
Business/Operations Admin.	8,375,018	8,577,422	8,577,422	8,615,058	37,636
Professional	899,328,085	903,017,082	903,017,082	919,880,232	16,863,150
Supporting Services	334,097,344	330,820,646	330,820,646	337,408,882	6,588,236
TOTAL POSITION DOLLARS	1,330,038,449	1,330,090,074	1,330,090,074	1,354,285,138	24,195,064
OTHER SALARIES					
Administrative	166,102	697,576	697,576	382,576	(315,000)
Professional	51,247,377	52,299,616	52,260,186	51,399,852	(860,334)
Supporting Services	20,777,252	20,762,259	20,801,689	20,819,971	18,282
TOTAL OTHER SALARIES	72,190,731	73,759,451	73,759,451	72,602,399	(1,157,052)
TOTAL SALARIES AND WAGES	1,402,229,180	1,403,849,525	1,403,849,525	1,426,887,537	23,038,012
02 CONTRACTUAL SERVICES	21,909,379	25,357,144	25,357,144	24,653,067	(704,077)
03 SUPPLIES & MATERIALS	61,970,333	63,414,356	63,414,356	66,225,541	2,811,185
04 OTHER					
Local/Other Travel	2,217,026	2,759,089	2,684,089	2,605,493	(78,596)
Insur & Employee Benefits	471,557,023	482,976,625	482,926,625	501,084,062	18,157,437
Utilities	43,062,052	44,964,178	44,964,178	41,396,374	(3,567,804)
Miscellaneous	49,547,121	49,566,827	49,616,827	51,634,056	2,017,229
TOTAL OTHER	566,383,222	580,266,719	580,191,719	596,719,985	16,528,266
05 EQUIPMENT	14,451,821	13,898,869	13,973,869	13,720,828	(253,041)
GRAND TOTAL AMOUNTS	\$2,066,943,935	\$2,086,786,613	\$2,086,786,613	\$2,128,206,958	\$41,420,345

TABLE 1A
FY 2013 OPERATING BUDGET - SUMMARY OF BUDGET CHANGES
(\$ in millions)

ITEM	AMOUNT	ITEM	FTE	AMOUNT
FY 2012 OPERATING BUDGET	\$2,086.8	EFFICIENCIES & REDUCTIONS		
ENROLLMENT CHANGES		Central Services:		
Elementary/Secondary	8.9	Office of School Performance	(1.5)	(\$0.2)
Special Education	3.9	Office of the Deputy Superintendent of Schools	(0.5)	(0.1)
ESOL	0.9	Office of Shared Accountability	(1.5)	(0.2)
Transportation	0.4	Office of Curriculum and Instructional Programs	(2.3)	(0.3)
Subtotal	\$14.1	Office of Special Education and Student Services	(5.0)	(0.7)
		Office of the Chief Operating Officer	(6.0)	(1.0)
		Office of the Chief Technology Officer		(1.4)
NEW SCHOOLS/SPACE	\$1.8	Office of Human Resources and Development	(1.0)	(1.2)
		Office of the Superintendent of Schools		(0.1)
		Subtotal	(17.8)	(\$5.2)
EMPLOYEE SALARIES - CONTINUING SALARIES	\$8.6	School-based/Support Operations:		
COSTS FOR CURRENT EMPLOYEES (including benefits)		Elementary Schools		(0.9)
		Middle Schools		(0.2)
		High Schools		(0.2)
EMPLOYEE BENEFITS AND INSURANCE		Office of School Performance		(0.4)
Employee Benefits Plan (active)	12.1	Office of Curriculum and Instructional Programs		(0.3)
Employee Benefits Plan (retired)	1.2	Office of Special Education and Student Services		(0.1)
Retirement	2.5	Office of the Chief Operating Officer	(5.6)	(0.8)
FICA/Self-Insurance/Workers' Compensation	(0.7)	Subtotal	(5.6)	(\$2.9)
Subtotal	\$15.1	Total Efficiencies & Reductions	(23.4)	(\$8.1)
		FY 2013 BUDGET		\$2,128.2
		FY 2012-FY 2013 CHANGE		\$41.4
INFLATION AND OTHER		Less Enterprise funds		(57.5)
Textbooks, Instructional and Media Materials	0.8	Less Grants		(73.7)
Utilities	(3.7)	SPENDING/AFFORDABILITY BUDGET		\$1,997.0
Special Education Including Non-public Tuition	1.2	REVENUE INCREASE BY SOURCE		
Transportation	2.3	Local		22.2
Maintenance	0.2	State		23.9
Facilities Management	0.4	Federal		(5.6)
Grant Revenue Reductions	(0.2)	Other		0.0
Other, Including Amount for Negotiated Costs	8.9	Enterprise		0.9
Subtotal	\$9.9	TOTAL REVENUE INCREASE		\$41.4

**TABLE 2
BUDGET REVENUE BY SOURCE**

SOURCE	FY 2011 ACTUAL	FY 2012 BUDGET	FY 2012 CURRENT	FY 2013 ESTIMATED
CURRENT FUND				
From the County:	\$ 1,415,085,344	\$1,370,101,480	\$1,370,101,480	\$1,392,286,148
From the State:				
Bridge to Excellence				
Foundation Grant	247,142,612	290,374,171	290,374,171	304,404,036
Geographic Cost of Education Index	9,406,192	31,954,820	31,954,820	33,337,517
Limited English Proficient	43,826,987	49,786,885	49,786,885	49,786,885
Compensatory Education	94,275,493	106,595,114	106,595,114	113,879,850
Students with Disabilities - Formula	33,485,077	34,323,294	34,323,294	34,785,007
Students with Disabilities - Reimbursement	10,474,795	10,842,176	10,842,176	11,543,388
Transportation	31,619,007	35,210,643	35,210,643	35,562,749
Miscellaneous	716,526	750,000	750,000	400,000
Programs financed through State Grants	2,095,585			
Total from the State	473,042,274	559,837,103	559,837,103	583,699,432
From the Federal Government:				
Impact Aid	390,089	245,000	245,000	300,000
Emergency Reimbursements	1,116,294			
Programs financed through Federal Grants	137,114,090	69,895,226	69,895,226	64,222,375
Total from the Federal Government	138,620,473	70,140,226	70,140,226	64,522,375
From Other Sources:				
Tuition and Fees				
D.C. Welfare	256,335	270,000	270,000	270,000
Nonresident Pupils	739,544	750,000	750,000	750,000
Summer School	1,532,898	1,281,148	1,281,148	1,281,148
Outdoor Education	438,378	574,560	574,560	574,560
Student Activities Fee	715,944	690,000	690,000	690,000
Miscellaneous	521,236	160,000	160,000	160,000
Programs financed through Private Grants	1,345,672	9,448,354	9,448,354	9,448,354
Total from Other Sources	5,550,007	13,174,062	13,174,062	13,174,062
Fund Balance	10,300,000	17,000,000	17,000,000	17,000,000
Total Current Fund	2,042,598,098	2,030,252,871	2,030,252,871	2,070,682,017
ENTERPRISE & SPECIAL FUNDS				
School Food Service Fund:				
State	971,937	1,024,608	1,024,608	1,018,607
National School Lunch, Special Milk and Free Lunch Programs	25,450,177	21,424,368	21,424,368	23,683,878
Child Care Food Program	225,290	900,000	900,000	1,000,000
Sale of Meals and other	19,563,999	23,548,069	23,548,069	21,773,810
Total School Food Service Fund	46,211,403	46,897,045	46,897,045	47,476,295
Real Estate Management Fund:				
Rental fees	2,812,240	3,266,430	3,266,430	3,520,603
Total Real Estate Management Fund	2,812,240	3,266,430	3,266,430	3,520,603
Field Trip Fund:				
Fees	1,671,121	2,122,819	2,122,819	2,026,046
Total Field Trip Fund	1,671,121	2,122,819	2,122,819	2,026,046

**TABLE 2
BUDGET REVENUE BY SOURCE**

SOURCE	FY 2011 ACTUAL	FY 2012 BUDGET	FY 2012 CURRENT	FY 2013 ESTIMATED
Entrepreneurial Activities Fund:				
Fees	3,633,389	2,822,448	2,822,448	3,006,936
Total Entrepreneurial Activities Fund	3,633,389	2,822,448	2,822,448	3,006,936
Total Enterprise Funds	54,328,153	55,108,742	55,108,742	56,029,880
Instructional Television Special Revenue Fund:				
Cable Television Plan	1,490,510	1,425,000	1,425,000	1,495,061
Total Instructional Special Revenue Fund	1,490,510	1,425,000	1,425,000	1,495,061
GRAND TOTAL	\$2,098,416,761	\$2,086,786,613	\$2,086,786,613	\$2,128,206,958

Tax - Supported Budget	FY 2011 ACTUAL	FY 2012 ESTIMATED	FY 2012 ESTIMATED	FY 2012 ESTIMATED
Grand Total	\$2,098,416,761	\$2,086,786,613	\$2,086,786,613	\$2,128,206,958
Less:				
Grants	(140,555,347)	(79,343,580)	(79,343,580)	(73,670,729)
Enterprise Funds	(54,328,153)	(55,108,742)	(55,108,742)	(56,029,880)
Special Revenue Fund	(1,490,510)	(1,425,000)	(1,425,000)	(1,495,061)
Grand Total - Tax-Supported Budget	\$1,902,042,751	\$1,950,909,291	\$1,950,909,291	\$1,997,011,288

The Adult Education Fund was created July 1, 1991, but was discontinued effective July 1, 2006, because the program was transferred to Montgomery College and the Montgomery County Department of Recreation. The Real Estate Management Fund was created July 1, 1992. The Field Trip Fund was created effective July 1, 1993. The Entrepreneurial Activities Fund was created effective July 1, 1998. The Instructional Television Special Revenue Fund was created July 1, 2000.

**TABLE 3
REVENUE SUMMARY FOR GRANT PROGRAMS BY SOURCE OF FUNDS**

Program Name and Source of Funding	FY 2011 ACTUAL	FY 2012 BUDGET	FY 2012 CURRENT	FY 2013 ESTIMATED
<u>Budgeted</u>				
FEDERAL AID: NO CHILD LEFT BEHIND (NCLB)				
Title I - A (941/949)	\$ 17,678,569	\$ 18,040,997	\$ 18,040,997	\$ 17,414,740
Title I - A (ARRA) (941/949)	5,916,630			
Subtotal	23,595,199	18,040,997	18,040,997	17,414,740
Title I - D				
Neglected and Delinquent Youth (937)	162,840	191,957	191,957	137,644
Total Title I	23,758,039	18,232,954	18,232,954	17,552,384
Title II - A				
Skillful Teaching and Leading Program (915)	324,472	604,923	604,923	426,723
Teacher Mentoring				178,200
Consulting Teachers (961)	3,319,350	3,448,908	3,448,908	3,134,958
Staff Development Team (960)	561,384	361,009	361,009	-
Subtotal	4,205,206	4,414,840	4,414,840	3,739,881
Title II - D				
Enhancing Education through Technology (918)	2,927	-	-	-
Total Title II	4,208,133	4,414,840	4,414,840	3,739,881
Title III				
Limited English Proficiency (927)	3,310,068	3,388,305	3,388,305	3,609,452
Title IV				
Safe & Drug Free Schools & Communities Act (926)	74,466	-	-	-
Title VII				
American Indian Education (903)	25,760	29,028	29,028	29,028
SUBTOTAL	31,376,466	26,065,127	26,065,127	24,930,745
OTHER FEDERAL, STATE, AND LOCAL AID				
State Fiscal Stabilization Fund (SFSF) (901)				
Federal (ARRA)	29,261,214	-	-	-
Head Start Child Development (932)				
Federal	3,433,406	3,433,406	3,433,406	3,433,406
Individuals with Disabilities Education (907/913/963/964/ 965/966/967)				
Federal	29,073,005	29,160,564	29,160,564	29,425,299
Federal (ARRA)	15,426,098	-	-	-
Subtotal	44,499,103	29,160,564	29,160,564	29,425,299
Infants and Toddlers (930)				
Federal	972,115	974,844	974,844	974,844
Education Jobs Fund (935)				
Federal	17,510,621	4,377,655	4,377,655	-
Medical Assistance Program (939)				
Federal	4,374,100	4,313,912	4,313,912	4,061,262
National Institutes of Health (NIH) (908)				
Federal	-	254,733	254,733	254,733
Provision for Future Supported Projects (999)				
Other	7,786,219	9,448,354	9,448,354	9,448,354

**TABLE 3
REVENUE SUMMARY FOR GRANT PROGRAMS BY SOURCE OF FUNDS**

Program Name and Source of Funding	FY 2011 ACTUAL	FY 2012 BUDGET	FY 2012 CURRENT	FY 2013 ESTIMATED
Carl D. Perkins Career & Technical Ed. Improvement (951)				
Federal	1,342,103	1,314,985	1,314,985	1,142,086
County	185,203	247,114	247,114	218,269
Subtotal	1,527,306	1,562,099	1,562,099	1,360,355
SUBTOTAL	109,364,084	53,525,567	53,525,567	48,958,253
TOTAL	\$ 140,740,550	\$ 79,590,694	\$ 79,590,694	\$ 73,888,998

Summary of Funding Sources				
Federal	\$ 132,769,128	\$ 69,895,226	\$ 69,895,226	\$ 64,222,375
State				
County	185,203	247,114	247,114	218,269
Other	7,786,219	9,448,354	9,448,354	9,448,354
GRAND TOTAL	\$ 140,740,550	\$ 79,590,694	\$ 79,590,694	\$ 73,888,998

FOR INFORMATION ONLY			
Non-Budgeted Grants Received as of November 30, 2011 - Continuation is Dependent on Future Funding			
Perkins - Career and Technology Education			\$ 38,816
Title I Part A			31,637
IDEA - Adequate Yearly Progress (AYP)			87,761
Medical Assistance			123,788
Title II - Enhancing Education Through Technology			15,001
IDEA - Part B			264,735
Team Nutrition Refresh			9,998
Least Restrictive Environment (LRE)			59,968
Education Cluster Model (thru DHHS)			175,750
Alternative Maryland State Assessment			30,090
Homeless Children and Youth			83,000
Infants and Toddlers (ARRA)			134,900
SUBTOTAL FEDERAL FUNDING			1,055,444
Educator Effectiveness Academy			232,465
Maryland Model for School Readiness (MMSR) Program			95,078
Judith Hoyer Childcare & Education (Judy Centers)			524,988
Project Lead the Way - Biomedical Sciences			19,999
SUBTOTAL STATE FUNDING			872,530
Defined Contribution Plan			25,000
National Institute of Standards and Technology Project			30,000
Healthy Eating and Lifestyles Youth Initiative			30,000
AAAS - Earth Science			2,500
SUBTOTAL OTHER			87,500
TOTAL			\$ 2,015,474

**TABLE 4
SUMMARY OF STUDENT ENROLLMENT - FY 2010 THROUGH FY 2013**

DESCRIPTION	(1) FY 2010 ACTUAL 9/30/2009	(2) FY 2011 ACTUAL 9/30/2010	(3) FY 2012 ACTUAL 10/30/2011	(4) FY 2012 BUDGET 10/30/2010	(5) FY 2013 BUDGET 10/30/2011	CHANGE COLUMN (5) LESS COLUMN (4)	
						#	%
ENROLLMENT							
PRE-KINDERGARTEN	1,973	1,965	2,060	2,085	2,085		
HEAD START	618	618	618	618	618		
KINDERGARTEN	10,605	10,917	11,380	11,075	11,425	350	3.2
GRADES 1-5 / 6 *	51,399	53,281	54,994	54,802	56,717	1,915	3.5
SUBTOTAL ELEMENTARY	64,595	66,781	69,052	68,580	70,845	2,265	3.3
GRADES 6-8 **	30,890	30,754	30,972	31,097	31,145	48	0.2
SUBTOTAL MIDDLE	30,890	30,754	30,972	31,097	31,145	48	0.2
GRADES 9-12	44,580	44,807	44,764	44,894	44,830	(64)	(0.1)
SUBTOTAL HIGH	44,580	44,807	44,764	44,894	44,830	(64)	(0.1)
SUBTOTAL PRE-K - GRADE 12	140,065	142,342	144,788	144,571	146,820	2,249	1.6
SPECIAL EDUCATION							
PRE-KINDERGARTEN	825	929	951	1,250	1,250		
SPECIAL CENTERS	514	463	444	463	503	40	8.6
SUBTOTAL SPECIAL EDUCATION	1,339	1,392	1,395	1,713	1,753	40	2.3
ALTERNATIVE PROGRAMS	219	213	185	225	225		
GATEWAY TO COLLEGE	154	117	129	200	160	(40)	(20.0)
GRAND TOTAL	141,777	144,064	146,497	146,709	148,958	2,249	1.5

SOURCE: Projected enrollment by the Division of Long-range Planning

NOTE: Grade enrollments for FY 2010 - FY 2013 include special education students

* The Elementary enrollment figures include enrollment number for Chevy Chase and North Chevy Chase Grade 6.

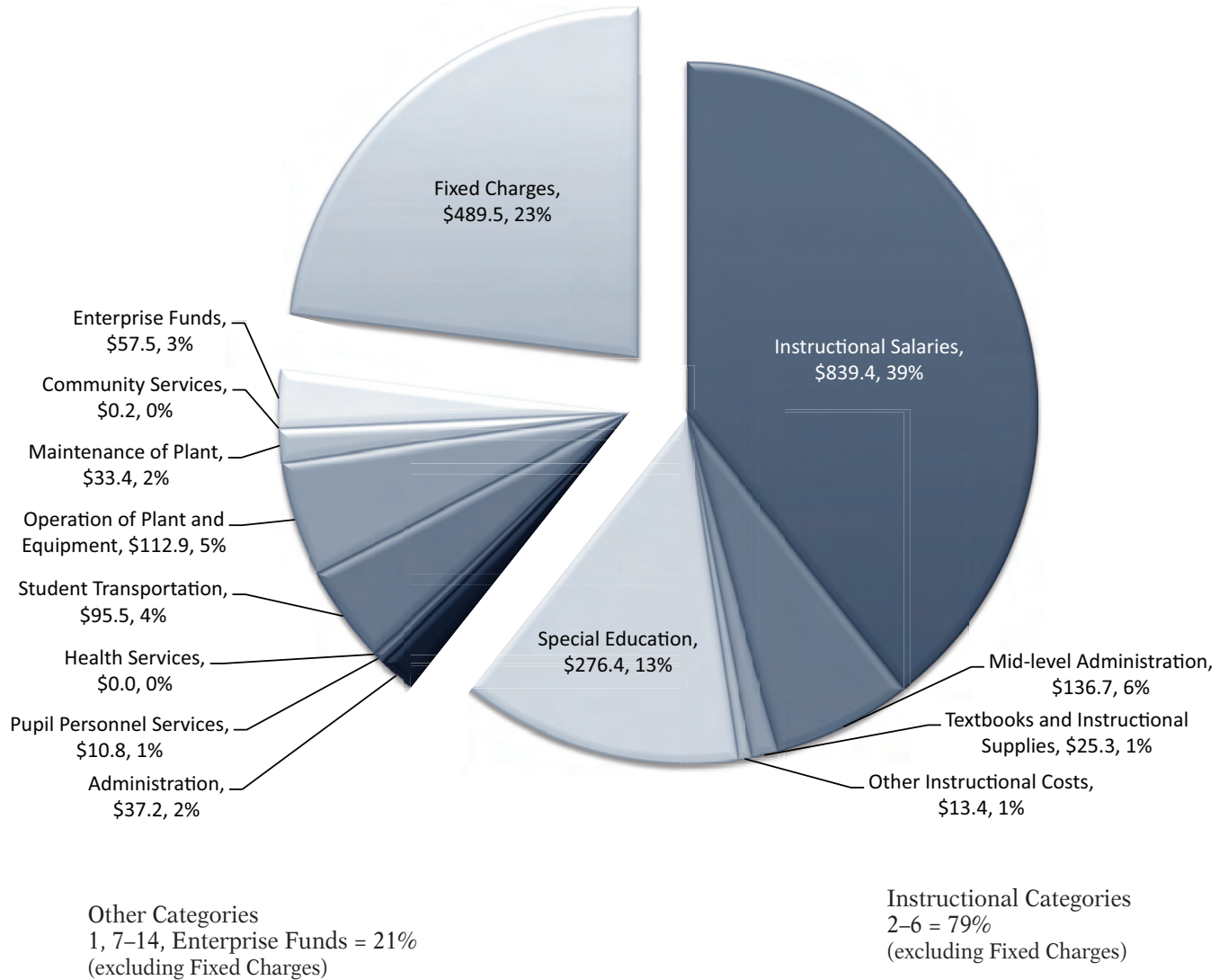
** Excludes enrollment numbers for Chevy Chase and North Chevy Chase Grade 6 that are budgeted in the Elementary schools enrollment figures.

FY 2013 OPERATING BUDGET

Where the Money Goes by State Category

(Dollars in Millions)

Total Expenditures = \$2,128,206,958

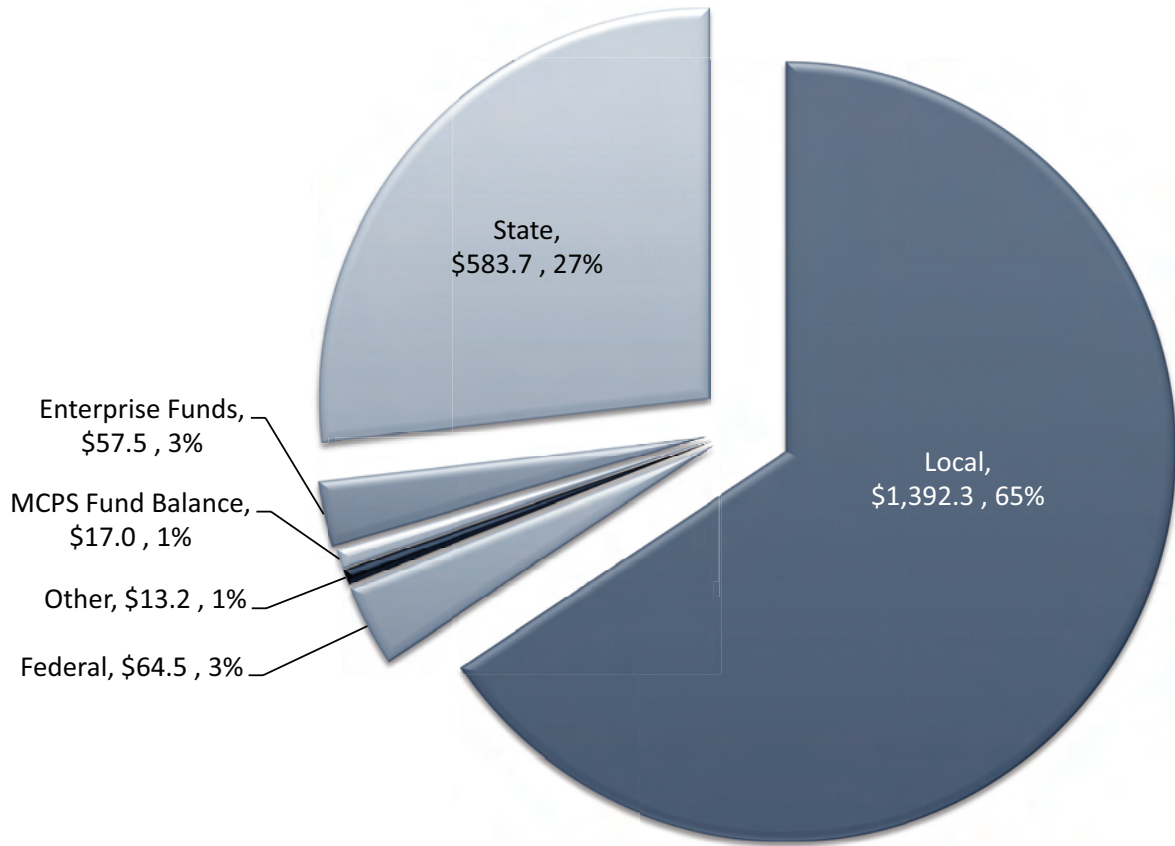


FY 2013 OPERATING BUDGET

Where the Money Comes From

(Dollars in Millions)

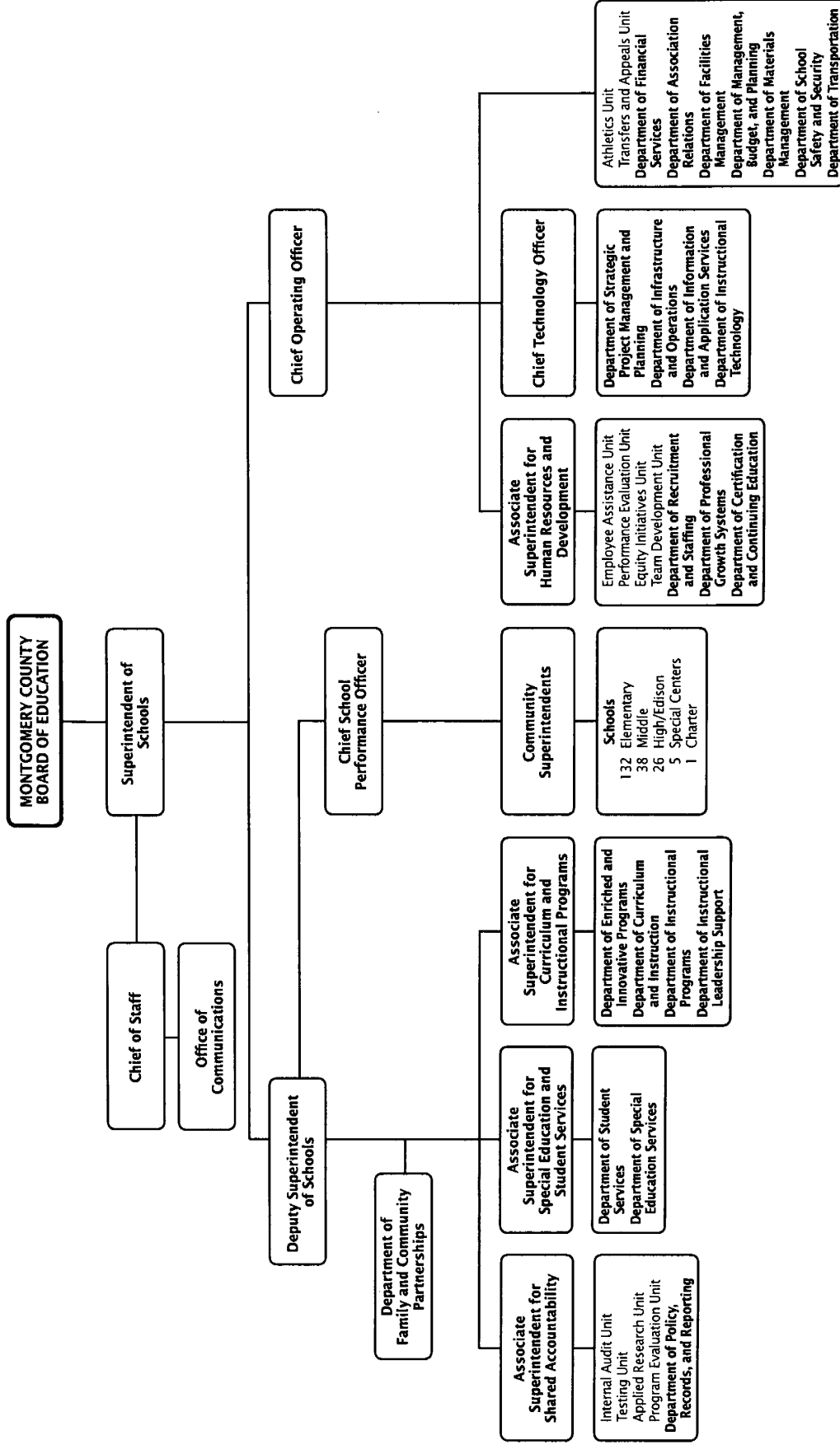
Total Revenue = \$2,128,206,958



**TABLE 5
ALLOCATION OF STAFFING**

POSITIONS	CURRENT FY 2012	BUDGET FY 2013	CHANGE
Executive	17.000	18.000	1.000
Administrative	200.000	197.000	(3.000)
Business/Operations Administrator	92.000	92.000	-
Other Professional	186.900	182.400	(4.500)
Principal/Assistant Principal	484.000	485.000	1.000
Teacher	10,281.220	10,430.170	148.950
Special Education Specialist	482.400	495.000	12.600
Media Specialist	189.200	190.200	1.000
Counselor	451.300	453.300	2.000
Psychologist	94.805	94.805	-
Social Worker	13.905	14.305	0.400
Pupil Personnel Worker	45.000	45.000	-
Instructional Aide and Assistant	2,332.898	2,382.128	49.230
Secretarial/Clerical/Data Support	721.250	714.500	(6.750)
IT Systems Specialist	131.000	131.000	-
Security	227.000	226.000	(1.000)
Cafeteria	556.448	556.948	0.500
Building Services	1,335.200	1,342.700	7.500
Facilities Management/Maintenance	342.500	343.000	0.500
Supply/Property Management	51.000	47.000	(4.000)
Transportation	1,685.650	1,685.650	-
Other Support Personnel	691.550	692.625	1.075
TOTAL	20,612.226	20,818.731	206.505

MONTGOMERY COUNTY PUBLIC SCHOOLS FY 2013 ORGANIZATION



Note: Organizational structure shown in this budget will be modified based on future recommendations.

SUMMARY OF NEGOTIATIONS

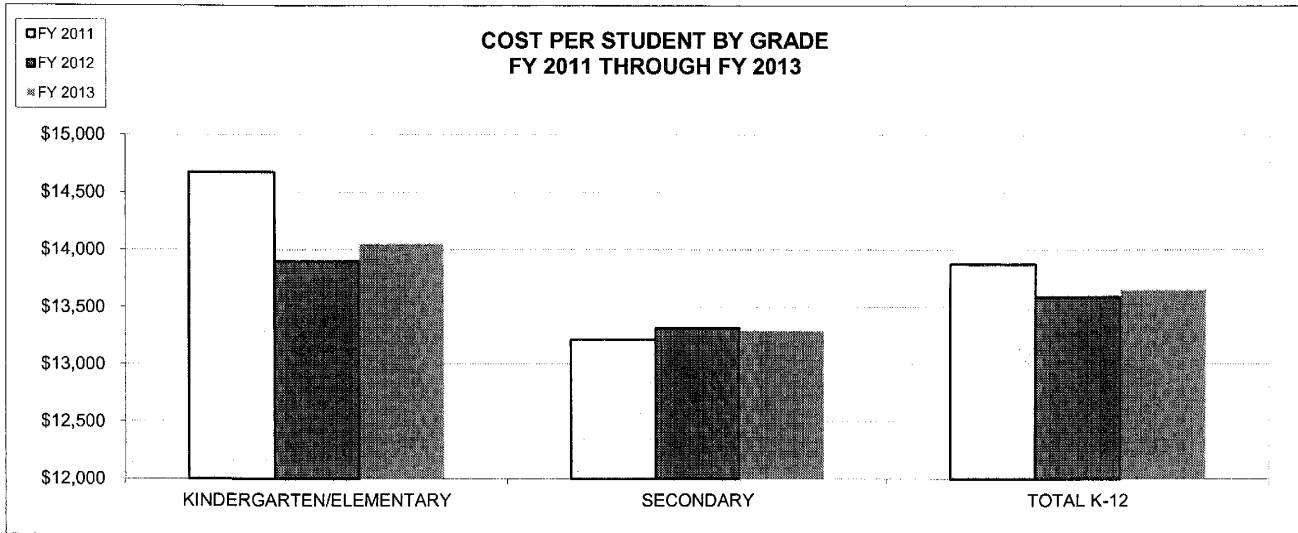
During FY 2011 the Board of Education reached agreement on economic re-opener agreements with all four bargaining units. All groups are covered under separate four year agreements covering July 1, 2010, through June 30, 2014. Each of these agreements allow for either party to reopen on economic terms annually. The bargaining units are the Montgomery County Education Association (MCEA), representing certificated non-administrative employees; SEIU Local 500, representing supporting services employees; and the Montgomery County Association of Administrators and Principals (MCAAP/MCBOA), representing certificated administrators and non-certificated supervisory employees in separate units. The two MCAAP units are covered in a single contract covering both units.

Each contract provides that the parties will engage a work group to study and make recommendations regarding means for effectuating cost savings in the health insurance plans. The work is to be referred to the economic negotiations between the parties during FY 2012. As in prior years the bargaining groups agreed to participate in joint negotiations regarding benefits for the term of the Agreements.

The Board of Education is currently in negotiations with all groups regarding wages effective July 1, 2012. Additionally, the Board is in negotiations with each group regarding up to two topics or articles identified by each side.

COST PER STUDENT BY GRADE SPAN

	KINDERGARTEN/ ELEMENTARY	SECONDARY	TOTAL K-12*	AMOUNT EXCLUDED*	TOTAL BUDGET**
FY 2011 ACTUAL					
EXPENDITURES	\$913,859,861	\$1,003,820,161	\$1,917,680,022	149,263,913	\$2,066,943,935
STUDENTS 9/30/10 (ACTUAL)	62,261	75,946	138,207		
COST PER STUDENT	\$14,678	\$13,218	\$13,875		
FY 2012 BUDGET					
EXPENDITURES	\$925,752,340	\$1,014,058,842	\$1,939,811,182	146,975,431	\$2,086,786,613
STUDENTS 9/30/11 (CURRENT)	66,596	76,143	142,739		
COST PER STUDENT	\$13,901	\$13,318	\$13,590		
FY 2013 BUDGET					
EXPENDITURES	\$961,108,843	\$1,016,417,886	\$1,977,526,729	150,680,229	\$2,128,206,958
STUDENTS 9/30/12 (PROJECTED)	68,393	76,452	144,845		
COST PER STUDENT	\$14,053	\$13,295	\$13,653		



Notes:

* Excludes Gateway to College and PreK/Head Start

** SUMMER SCHOOL, COMMUNITY SERVICES, TUITION FOR STUDENTS WITH DISABILITIES IN PRIVATE PLACEMENT, AND ENTERPRISE FUND ACCOUNTS ARE EXCLUDED FROM COST OF REGULAR DAY SCHOOL OPERATIONS

*** FY 2012 FIGURES REFLECT CURRENT APPROVED BUDGET.

EXPENDITURES BY STATE BUDGET CATEGORY

State Budget Category	Actual FY 2011	Budget FY 2012	Budget FY 2013	Percent Change	Percent of Total
Instruction:					
2 - Mid-Level Administration	\$ 135,819,255	\$ 136,245,378	\$ 136,669,270	0.3%	6.4%
3 - Instructional Salaries	823,736,996	820,070,900	839,380,838	2.4%	39.4%
4 - Textbook and Instructional Supplies	22,192,656	24,948,820	25,295,147	1.4%	1.2%
5 - Other Instructional Costs	11,839,436	13,855,214	13,396,833	-3.3%	0.6%
6 - Special Education	271,387,049	272,431,548	276,443,955	1.5%	13.0%
Subtotal	1,264,975,392	1,267,551,860	1,291,186,043	1.9%	60.7%
School and Student Services:					
7 - Student Personnel Services	10,656,468	11,041,328	10,782,386	-2.3%	0.5%
8 - Health Services	16,268	54,670	37,402	-31.6%	0.0%
9 - Student Transportation	92,990,917	93,197,127	95,459,375	2.4%	4.5%
10 - Operation of Plant and Equipment	113,670,396	115,657,090	112,934,750	-2.4%	5.3%
11 - Maintenance of Plant	32,726,663	32,396,397	33,355,895	3.0%	1.6%
Subtotal	250,060,712	252,346,612	252,569,808	0.1%	11.9%
Other:					
12 - Fixed Charges	462,177,602	471,779,702	489,507,774	3.8%	23.0%
1 - Administration	38,188,067	38,366,202	37,209,897	-3.0%	1.7%
14 - Community Services	135,180	208,495	208,495	0.0%	0.0%
Subtotal	500,500,849	510,354,399	526,926,166	3.2%	24.8%
TOTAL GENERAL FUND	\$ 2,015,536,953	\$ 2,030,252,871	\$ 2,070,682,017	2.0%	97.3%
Special and Enterprise Funds:					
37 - Instructional Television Special Revenue Fund	1,476,675	1,425,000	1,495,061	4.9%	0.1%
51 - Real Estate Fund	2,838,706	3,266,430	3,520,603	7.8%	0.2%
61 - Food Services Fund	43,336,624	46,897,045	47,476,295	1.2%	2.2%
71 - Field Trip Fund	1,740,834	2,122,819	2,026,046	-4.6%	0.1%
81 - Entrepreneurial Fund	2,014,143	2,822,448	3,006,936	6.5%	0.1%
TOTAL SPECIAL AND ENTERPRISE FUNDS	\$ 51,406,982	\$ 56,533,742	\$ 57,524,941	1.8%	2.7%
TOTAL EXPENDITURES	\$ 2,066,943,935	\$ 2,086,786,613	\$ 2,128,206,958	2.0%	100.0%

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Operating Budget Summary

The Superintendent's FY 2013 Recommended Operating Budget for the Montgomery County Public Schools (MCPS) totals \$2,128,206,958. This is an increase of \$41,420,345 (2.0 percent) more than the current FY 2012 Operating Budget of \$2,086,786,613. This is the lowest percentage requested in more than ten years. Excluding grants and enterprise funds, the superintendent's FY 2013 budget recommendation for the purpose of spending affordability is \$1,997,011,288. This is \$46,101,997 (2.4 percent) more than the current FY 2012 Operating Budget of \$1,950,909,291.

The FY 2013 Recommended Operating Budget includes a local contribution at the minimum state Maintenance of Effort (MOE) level. The MOE amount provides MCPS with the same amount per pupil of local tax contribution as FY 2012, although this amount (\$9,759) has decreased by \$1,490 (13 percent) in the last three years. The budget also assumes that there will not be a penalty of the loss of increased state aid because of the county's failure to fund the school system as required by MOE in FY 2012.

Below are details of major elements that will change the MCPS operating budget in FY 2013.

Expenditures

- Enrollment Increase—A total of \$14.1 million is needed for total projected student enrollment increases. Approximately 131 additional positions are required for 2,249 additional Grades K-12 students projected for FY 2013, at a cost of \$8.9 million, compared with the FY 2012 approved operating budget. The total 2,249 increase in budgeted enrollment reflects actual FY 2012 enrollment that is 204 less than budgeted projections and a projected increase of 2,453 students.
- Special Education—An additional \$3.9 million is needed for changes in special education enrollment, including \$3.2 million for 59 additional school-based positions and other costs, and \$0.7 million for additional students projected to attend non-public schools. MCPS receives partial state reimbursement for these students.
- ESOL and pre-Kindergarten—An additional \$831,000 is required for an increase of 600 ESOL students, to a total of 19,250, part of overall enrollment growth, and \$274,000 is required for three additional pre-Kindergarten classes at the new Community Montessori Charter School.
- New Schools/space—An increase of \$1.8 million is needed for new school space, including 7.6 positions for the opening of the Downcounty Consortium Elementary School #29. The addition of 144,000 square feet of school space requires 7.5 building service worker positions and other operating costs.

- Continuing Salaries—A total of \$8.6 million will be added to the budget for continuing salaries, including steps and longevity increases for current employees and other salary adjustments. No increments were included in the operating budget for FY 2011 or FY 2012.
- Employee Benefits—The cost of employee benefits and insurance for current and retired employees will add \$15.1 million to the budget, including \$12.1 million for the increased cost of health and life insurance for current employees, \$1.2 million for the increased cost of health insurance for retired employees, \$2.5 million for increased retirement contributions, and \$0.2 million for social security payments, partially offset by a decrease of \$0.9 million for the cost of self-insurance, including worker’s compensation. The cost of pre-funding for future retiree health payments has been assumed by the county for all county agencies, including MCPS.
- Inflation and Other Expenditures—The effects of inflation and other required expenditures will add a total of \$1.9 million, including \$1.2 million in rate increases for tuition for special education students in non-public placement, \$0.6 million to replace 109 school buses that have reached the end of their allowed use, \$1.7 million for diesel fuel for school buses, \$0.8 million for the higher costs of textbooks and instructional materials, \$0.6 million for higher building maintenance costs, and \$0.7 million for shifts of expenditures related to a decrease of grant revenue and other obligations. These increases are offset by savings of \$3.7 million in utilities costs resulting from energy conservation and efficiencies. Other changes include the addition of \$100,000 for the Advancement Via Individual Determination (AVID) program, 3.4 positions and \$170,589 to expand special education hours-based staffing in middle schools, and \$200,026 for an executive leadership position to oversee professional development to be realigned from other professional development resources.
- The recommended budget also includes \$8.0 million available to offset costs resulting from the forthcoming completion of negotiated agreements between the Board of Education and its three employee unions. The amount required for negotiated costs is not known at this time, but is expected to be determined by the time the Board adopts its FY 2013 Operating Budget Request.
- Federal Aid—Expenditures totaling \$4.4 million paid for in FY 2012 with temporary federal stimulus aid must be continued with local funding in FY 2013.

Budget Reductions

Over the last four years the operating budget has been reduced by more than \$360 million and one-time savings totaling more than \$73 million have been made through a hiring freeze and comprehensive expenditure restrictions. Employees also agreed to forego a negotiated general wage increase in FY 2010, saving \$89 million, and for the first time, salary increments (steps and longevity increases) savings of \$54 million. Despite increases related to enrollment growth and inflation, per pupil spending has decreased by about \$500 in the last four years. In FY 2013, budget reductions include 22.4 positions and \$8.1 million, the largest part of which are from central services (\$5.2 million).

Revenue

- **Local Contribution**—State law requires local contribution at the same amount per student as in the previous year, the Maintenance of Effort (MOE) level. For FY 2013, this amount is \$9,759 per student, \$1,490 less than in FY 2009. In order to reach this amount for FY 2013, the local contribution must increase by \$22.2 million. Had the law not permitted to county to “rebase” its contribution at the lower amount, the FY 2013 local contribution would need to increase by an additional \$68 million.
- **State Aid**—State aid is estimated to increase by \$14 million just for increased enrollment for basic Foundation aid. The Foundation aid formula also is driven by relative property and income wealth. These figures are not yet available. Preliminary state aid estimates for FY 2013 will not be available until January 2012. It is expected that state aid will increase by a total of about \$23.9 million.
- **Federal Aid**—Federal grant aid totaling \$64.2 million for FY 2013 may be affected by future decisions regarding federal budget reductions. MCPS received \$4.4 million in federal aid through the Education Jobs Fund (EJF) that terminates after FY 2012.
- **Fund Balance**—The FY 2012 Operating Budget includes \$17.0 million of fund balance from FY 2010 savings. The \$17.0 million will be replaced from FY 2011 and FY 2012 savings.

Other Budget Assumptions

- **OPEB**—The FY 2013 budget includes no contributions to the Retiree Health Trust Fund for Other Post-Employment Benefits (OPEB). The county has assumed responsibility for making OPEB payments on behalf of MCPS retirees to a combined trust fund.
- **Pensions**—The 2010 General Assembly created a citizens commission that recommended a gradual shift of part of teacher pension payments made by the state on behalf of local school districts to local school boards. Any such shift may impact the operating budget for FY 2013 or subsequent years.
- **MOE Penalty**—Because Montgomery County did not make a local contribution at the required MOE level, MCPS now faces a penalty of \$26.2 million of the loss of increased FY 2012 state aid in FY 2013. This penalty falls on MCPS because state law penalizes the school system, not the county that did not meet its MOE obligation. The county’s failure also reduces the amount per student required in local contribution in future years. The Board of Education is working with the county and the legislative delegation to find a way to avoid the MOE penalty. The state aid estimated for FY 2013 assumes that the legislature will act to waive the penalty to MCPS and that the district will receive all the aid to which it is entitled.
- **Fiscal Gap**—Based on the approved county fiscal plan, the county executive has estimated that county agencies may have to reduce their budgets by 2.7 percent in FY 2013 (\$56 million for MCPS). To comply with MOE and help avoid such cuts, the county may need to identify additional resources, such as not implementing a sunset of energy taxes due to expire in FY 2013 (\$112 million).

Montgomery County Public Schools

FY 2013 Operating Budget

Operating Budget Process

The operating budget process provides the Board of Education and the superintendent of schools with the opportunity to align the operating budget with the Montgomery County Public Schools' strategic plan, communicate its goals to the public, and secure approval of the operating budget by the county executive and the County Council. Below is a brief summary of the operating budget process and timeline for the FY 2013 Operating Budget.

- September 8, 2011 – *Department Budget Submissions*- The operating budget is developed through a “zero-based” process that applies staffing and other funding formulas approved by the Board of Education using updated enrollment forecasts and other school-based data. Departments have an opportunity to realign existing resources to higher priority needs based on the system and unit strategic plans.
- October 12 and 27, 2011 - *Community Conversations* – The Board of Education convenes community forums annually in October to review implementation of the MCPS strategic plan, assess progress on detailed multi-year strategies and initiatives implemented through the operating budget, and gather public input at the forums or through the MCPS website.
- December 7, 2011 - *Budget Presentation and Publication* – In December, the superintendent of schools presents his recommendations to the Board of Education. The *Superintendent's Recommended Operating Budget*, often called the management budget, shows budget resources by office, department and other units. The *Program Budget* includes references to the units that carry out each program. The *Budget in Brief* describes highlights of the recommended operating budget for the general public. Budget publications are all posted to the MCPS website.
- January 11 and 18, 2012 - *Board of Education Public Hearings* – In January, the Board of Education holds two public hearings. Testimony is received from MCCPTA cluster representatives and other interested citizens regarding the superintendent's recommendations.
- January 25 and 26, 2012 - *Board of Education Worksessions* - Following the hearings, the Board holds two worksessions to ask specific questions about the budget and explore potential amendments.
- February 14, 2012 - *Budget Amendment and Adoption* – At the all-day meeting in February, the Board formally considers the superintendent's operating budget, often as amended to take into account updated enrollment and other information. Board members propose and dispose of suggested amendments and adopt the Operating Budget Request as amended. On March 1, the budget is formally transmitted to the county executive and the County Council.

- February 2012 - *Spending Affordability Guidelines Process* – In February, the County Council adopts spending affordability guidelines (SAG) for the county, including possible property tax rates and allocations of resources to each agency. If an agency’s budget request exceeds its SAG allocation, it must submit a list of possible reductions to meet the SAG guideline no later than March 31. In June 2010, for the first time, the County Council adopted a fiscal plan to serve as the basis for its operating budget deliberations.
- March 15, 2012 - *County Executive Recommendation* – The county executive issues his recommended budget on March 15, including a recommendation for Montgomery County Public Schools.
- April 2012 – *County Council Public Hearings* - In April, the County Council holds a series of public hearings that include considerable testimony on the MCPS budget. The County Council’s Education Committee reviews the MCPS request and the county executive’s recommendation during work sessions in April and May.
- May 24, 2012 – *County Council Appropriation Action* – On May 24, 2012, the full County Council formally approves a total budget for MCPS including totals for each state category. The final budget decisions are expected to be tentatively approved on May 17, 2012.
- June 14, 2012 – *Board of Education Approval* - The Board of Education determines the details of the final approved budget using state category totals approved by the Council. The Board of Education may make changes in the category total amounts only if approved by the Council. The budget for the next school and fiscal year takes effect on July 1, 2012 and concludes on June 30, 2013.

Montgomery County Public Schools

FY 2013 Operating Budget

Operating Budget Alignment with the Strategic Plan and Fiscal Challenges

The operating budget is aligned with the Montgomery County Public Schools strategic plan: *Our Call to Action: Pursuit of Excellence, 2011-2016*. Budget resources are prioritized to advance major strategic initiatives to improve student performance and close the achievement gap. The plan emphasizes the Seven Keys to College Readiness, a trajectory of high standards that provides a clear pathway for school staff and parents to ensure that all students are held to high expectations and can achieve at high levels. MCPS continues to focus on the issue of equity, to move closer to the day that academic success is not predictable by race, ethnicity, gender, socioeconomic status, language proficiency, or disability. MCPS uses the Malcolm Baldrige Education Criteria for Performance Excellence as a management system to ensure alignment with the strategic plan, including the involvement of major stakeholders to set priorities and monitor progress based on identified measures. The Board of Education makes budget decisions based on its established academic priorities. The Board has strengthened public participation to provide feedback to align the operating budget with the strategic plan.

In addition, zero-based budgeting procedures are used to evaluate all expenditures each year to be sure that they are used for the highest priority needs. Offices and schools must justify all expenditures each year.

The operating budget includes major performance measurements for each unit. Performance measures identify outcomes resulting from the use of budgeted resources, concentrating on the impact on academic priorities and support functions.

The Program Budget issued at the same time as the traditional “management” budget also addresses alignment with the strategic plan by showing links between strategic initiatives and individual programs. This enables the public to identify the total resources used for each program regardless of what units in the school system manage resources dedicated to any program.

Alignment of the budget with the strategic plan was strengthened in FY 2011 with the introduction of community conversations sponsored by the Board of Education to expand public involvement in the development of long-range planning issues.

Fiscal Challenges

Unprecedented fiscal challenges have affected the pace of progress in implementing strategic initiatives. Fiscal constraints have delayed the roll-out or expansion of new initiatives until sufficient resources are available.

Available revenues have decreased because:

- State aid under the *Bridge to Excellence in Public Schools Act* (Thornton) was fully implemented in FY 2008 with only inflationary adjustments for future years. The state legislature suspended the inflationary adjustment from FY 2010 through at least FY 2014.
- The severe national economic recession has sharply reduced estimates of local tax revenue available from income taxes, property taxes, and other local tax sources.
- Montgomery County failed to meet state law requirements to maintain per pupil local funding from FY 2010 through FY 2012. Over that period, Montgomery County has fallen short by a cumulative \$345 million and per pupil expenditures have decreased by \$1,490 per pupil since FY 2009. Because Montgomery County did not meet the requirement in FY 2012 and did not request a waiver, Montgomery County Public Schools faces a penalty of the loss of \$26.2 million of state aid in FY 2013.
- Additional federal aid provided through the *American Recovery and Reinvestment Act* (ARRA) made it possible for the state to maintain current aid to education formulas through FY 2011. The expiration of federal support forced the state to resume funding of mandated state aid formulas in FY 2012.

Although revenue has decreased, MCPS costs have continued to increase:

- Enrollment has increased by 2,441 students this year, with projections for another 2,453 students in FY 2013. The number of students eligible for Free and Reduced-price Meals System (FARMS) has increased by more than 9,600 in the last three years to 47,365 (32 percent of enrollment), and the number of ESOL students has increased by nearly 2,000.
- Other costs have increased more rapidly than general inflation, including textbooks and other instructional materials, employee benefits, and building maintenance. These increases are described in detail elsewhere in this document. The state Maintenance of Effort formula does not include inflationary cost increases.
- Federal and state mandates require additional expenditures without additional revenue. The mandates include testing requirements, environmental regulations, and transportation facilities.
- In order to balance the budget to meet these required costs without added revenue, MCPS has made more than \$172 million of base budget reductions since FY 2009.

EFFICIENCIES AND REDUCTIONS
Superintendent's FY 2013 Recommended Operating Budget

Central Services:	FTE	Amount
<u>Office of School Performance:</u> (.500)Administrative Secretary III, (1.00)Data Support Specialist, (2.00) 12-mo. Instructional specialist to 2.00 10-mo. Central Office Teachers, Part-time Salaries, Local Travel	(1.500)	\$ (227,884)
<u>Office of the Deputy Superintendent of Schools/Department of Family and Community Partnerships:</u> (.500)Fiscal Assistant	(0.500)	(37,926)
<u>Office of Shared Accountability:</u> (1.500) Evaluation Specialist, Contractual Services	(1.500)	(207,965)
<u>Office of Curriculum and Instructional Programs:</u> (.250) Administrative Secretary I, (1.00) Secretary I, (1.00) Office Assistant IV,Part-time Salaries, Contractual Services, Program Supplies/Materials, Office Supplies, Local Travel	(2.250)	(315,374)
<u>Office of Special Education and Student Services:</u> (1.00) Instructional Specialist, (1.00) Supervisor, (1.00) Secretary; (1.00) Fiscal Assistant V; (1.00) Counseling Supervisor to 1.00 Counselor; (1.00) Home/Hospital Teacher offset by 1.00 Secretary; Part-time Salaries; Contractual Services; Dues, Registrations, Fees	(4.000)	(720,159)
<u>Office of the Chief Operating Officer:</u> (1.00) Accounts Payable Assistant, (1.00) Administrator on Special Assignment, (1.00) Materials & Property Assistant, (1.00) Truck Driver/Warehouse Worker, (1.00) Security Patroller, (1.00) Graphics Assistant, Part-time Salaries, Postage, Recycling, Supplies, Contractual Maintenance, Association Relations Expenses	(6.000)	(996,556)
<u>Office of the Chief Technology Officer:</u> Consultants, Contractual Maintenance, Lease/Purchase, Program Supplies, Local Travel	-	(1,434,727)
<u>Office of Human Resources and Development:</u> (1.00) Instructional Specialist, Part-time Salaries, Consultants, Program/Office Supplies, Local Travel, Partnership Tuition	(1.000)	(1,251,750)
<u>Office of the Superintendent of Schools/Communications:</u> Contractual Services; Program Supplies; Equipment; Dues, Registrations, Fees		(38,328)
Total Central Services	(16.750)	\$ (5,230,669)

EFFICIENCIES AND REDUCTIONS
Superintendent's FY 2013 Recommended Operating Budget

Support Operations/School-based:	FTE	Amount
<u>K-12 Instruction - Elementary, Middle, High School:</u> Part-time Salaries, Consultants, School Projects, Local Travel Inflation for Textbooks & Instructional/Media Materials	-	(1,420,535)
<u>Office of School Performance:</u> Part-time Salaries, Contractual Maintenance/Services	-	(267,198)
<u>Office of Curriculum and Instructional Programs:</u> Part-time Salaries, Instructional Materials, Field Trips Inflation for ESOL Textbooks & Instructional Materials	-	(344,242)
<u>Office of Special Education and Student Services:</u> Part-time Salaries, Inflation for Textbooks & Instructional Materials	-	(96,137)
<u>Office of the Chief Operating Officer:</u> (5.625) Bus Operators for Enrollment Growth, Bus Parts/Supplies, Waive Replacement Buses, Inflation for Building Services Supplies	(5.625)	(773,151)
Total Support Operations/School-based	(5.625)	\$ (2,901,263)
TOTAL EFFICIENCIES AND REDUCTIONS	(22.375)	\$ (8,131,932)

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Program Efficiencies and Reductions

Each year, the Montgomery County Public Schools (MCPS) undertakes a comprehensive effort to identify potential program reductions and efficiencies. This is called the Program Efficiency, Abandonment, and Redirection (PEAR) process. Since FY 2009, MCPS has used this process to make a total of \$172.6 million in reductions in the base budget, including 1,351 positions. For FY 2013, the operating budget includes \$8,131,932 of efficiencies and reductions, including a reduction of 22.375 positions. Below are details of the FY 2013 reductions.

- Every office receives a target of potential reductions and realignments at the beginning of the budget development process. These proposals are carefully assessed to minimize the impact on the classroom.
- Zero-based budgeting is used to review and justify all expenditures and identify opportunities for efficiencies, realignments, and reductions.
- In the past four years, the budget has included reductions of \$172.6 million from the base budget, including 1,351 positions. More than 25 percent of the reductions have come from central services resources. Reductions made from FY 2009 through FY 2012 total the following:
 - FY 2009 - \$38.3 million – 330.0 FTE positions
 - FY 2010 - \$32.4 million – 251.9 FTE positions
 - FY 2011 - \$52.6 million – 446.8 FTE positions
 - FY 2012 - \$49.3 million – 322.3 FTE positions
- MCPS has central administrative costs of 1.8 percent of the total budget, the lowest percentage in its history and one of the lowest percentages in the state.
- FY 2013 reductions include \$5.2 million of central services reductions and \$2.9 million of school-based and support operations services.

Central Services

For FY 2013, central services reductions total \$5,230,669, including 16.75 positions and related employee benefits. These reductions comprise 64 percent of the total reductions. Following is a summary of the central services reductions:

Office of School Performance

- There is a reduction of 1.5 positions in the Office of School Performance and a total savings of \$227,884. The elimination of a 1.0 data specialist position and a 0.5 administrative secretary position will reduce available office support. The data support

specialist supports technology needs within the office and supports office administrative duties. Elimination of this position and the reduction of a 0.5 administrative secretary will require redistribution of their responsibilities to other staff. These responsibilities will be redistributed to provide maximum support to schools.

Office of Curriculum and Instructional Programs

- There is a reduction of a 1.0 office assistant IV position on the Staff Development Team at a savings of \$64,625. The work of this position will be distributed to other clerical staff within the Department of Instructional Leadership Support. Other reductions in this department total \$4,320 in supporting services part-time salaries.
- There is a reduction of a 0.25 administrative secretary I position in the Division of Consortia Choice and Application Program Services at a savings of \$25,048. The position will remain at a 0.5 FTE. Other reductions in this division include \$4,320 in supporting services part-time salaries, and \$3,000 for office supplies.
- There is a reduction of a 1.0 secretary I position on the Elementary Integrated Curriculum Team at a savings of \$75,531. The responsibilities of this position will be absorbed by remaining administrative support staff.
- Other reductions in the Office of Curriculum and Instructional Programs include \$21,200 in a variety of accounts in the Office of the Associate Superintendent, \$1,500 in instructional materials, \$9,720 for the Bridge Program for Academic Validation, \$25,000 of instructional materials in the Department for Curriculum and Instruction, \$3,000 in a variety of accounts in the Foundations program, \$31,133 in School Library media Programs, and \$46,977 in the Division of Early Childhood Services.

Office of Special Education and Student Services

- There is a reduction of a 1.0 fiscal assistant V position in the Division of Business, Fiscal, and Information Systems at a savings of \$125,926. After the termination of the federal *American Recovery and Reinvestment Act* grants, the responsibilities of this position have been reduced and the remaining duties will be reassigned to other fiscal staff. Other reductions in this division include \$8,000 in telecommunications expenses, \$2,500 in consultants, and \$5,000 in legal document access, offset by an increase of \$38,358 in supporting services part-time salaries based on anticipated needs.
- There is a reduction of a 1.0 instructional specialist at a savings of \$117,117 and a 1.0 secretary position at a savings of \$64,739 in the Department of Special Education Services. The instructional specialist position is responsible for providing professional development and technical support to schools. These duties will be reassigned to the central office special education instructional specialists. The duties of the secretary position will be reassigned to two remaining secretary positions in the same unit. Other reductions in this department include \$6,906 for clerical support, \$1,000 for technician licensing, \$32,400 for temporary part-time salaries, \$13,415 for professional development expenses, and \$32,450 for consultants.

- There is a reduction of a 1.0 secretary position I in the Equity Assurance and Compliance Unit at a savings of \$70,158. Reductions in the volume of litigation permit the elimination of a clerical position with the continued support of clerical staff in other units to meet compliance deadlines.
- There is a reduction of a 1.0 supervisor position in the Disciplinary Review and School Assignment Unit at a savings of \$154,198. This unit will be incorporated with the Pupil Personnel Services unit to reduce administrative expenditures without any changes in current services. The reductions are offset by an increase in temporary part-time salaries of \$38,358 to provide additional support as needed.
- Other reductions in the Office of Special Education and Student Services include \$12,960 for temporary part-time salaries in the Residency and International Admissions unit.

Office of Shared Accountability

- There is a reduction of a 1.0 evaluation specialist in the Program Evaluation Unit at a savings of \$130,389 and a 0.5 evaluation specialist in the Applied Research Unit at a savings of \$69,385. The elimination of these positions will delay evaluations of instructional programs and will increase the time required to complete ad hoc requests for student data. Remaining staff will work closely with other MCPS units to prioritize evaluation requests. There also is a savings of \$8,191 related to the cost of the annual external audit contract.

Office of the Chief Operating Officer

- There is a reduction of a 1.0 administrator on special assignment position in the Department of Financial Services at a savings of \$169,241. Without this position, work will be delayed on technology initiatives, including employee self-service facilities.
- There is a reduction of a 1.0 material and property assistant position at a savings of \$82,687 and a 1.0 warehouse worker at a savings of \$64,743 in the Department of Materials Management. Elimination of these positions will reduce the timeliness of some deliveries and customer support. Other reductions in this department for postage total \$14,804.
- There is a reduction of a 1.0 accounts payable assistant position in the Division of Controller at a savings of \$75,102. Continued productivity improvements in bill paying procedures will reduce delays that may result from the loss of this position.
- There is a reduction of a 1.0 security patroller position in the Department of School Safety and Security at as savings of \$84,242. Improvements in school alarm systems and increased installations of cameras permit a reduction in the number of physical school and facility inspections without a sacrifice of school security.
- There is a reduction of a 1.0 graphics assistant position in the Editorial, Graphics, and Publishing unit at a savings of \$84,090. Elimination of this position will delay design of graphic communications and system-wide publications. Increased lead times will be necessary. Other reductions in this unit total \$167,892, in a variety of accounts, including

contractual maintenance, printing supplies, replacement copiers, part-time salaries, and training support.

- Other reductions in the Office of the Chief Operating Officer include \$100,000 in system-wide online safety training programs, \$103,121 in recycling supplies, and \$14,134 in association relations expenses in the Department of Association Relations resulting from reduced program needs.

Office of the Chief Technology Officer

- Reductions totaling \$1,434,727 in the Office of the Chief Technology Officer including \$518,408 in contractual maintenance for security software, \$51,866 for other contractual maintenance, \$31,500 for staff development, and \$44,369 for equipment in the Office of the Chief Information Officer; \$26,122 in contractual services and \$20,000 in program supplies in the Department of Strategic Project Management and Planning; \$76,400 for consultants, \$306,512 for contractual services, and \$8,265 for equipment in the Department of Information and Application Services; \$106,144 for contractual maintenance and \$187,744 for lease/purchase equipment in the Department of Infrastructure and Operations; and \$57,397 in a variety of accounts in the Department of Instructional Technology.

Office of Human Resources and Development

- There is a reduction of a 1.0 instructional specialist position in the Department of Skillful Teaching and Leading at a savings of \$137,448. The remaining members of this team will fulfill required responsibilities for training and support of teachers, principals, and paraeducators. Other reductions in this department include \$39,468 for supporting service part-time salaries, \$13,996 for stipends, \$6,093 for substitutes, and \$3,000 for local travel.
- Reductions in the Department of Professional Growth Systems include \$91,297 in consultants, \$56,012 in stipends, and \$8,199 in supplies for the Professional Growth System for Support Professionals and \$92,960 in professional part-time salaries, \$28,084 in consultants, and \$1,079 in building rental for the Professional Growth System for Administrative and Supervisory Staff based on program requirements.
- Other reductions in the Office of Human Resources and Development include \$761,524 from savings in tuition for university partnerships, \$52,250 from stipends, \$20,000 for consultants, \$22,000 for program supplies, \$10,000 from office supplies, and \$7,000 for local travel, based on program requirements. These changes will not reduce the availability of training opportunities.

Office of the Deputy Superintendent of Schools

- There is a reduction of a 0.5 fiscal assistant III position in the Department of Family and Community Partnerships at a savings of \$37,926. The remaining 0.5 position can handle required fiscal responsibilities.

Office of the Superintendent of Schools

- There is a reduction of \$4,497 in a variety of accounts in the Office of Communications related to web services and public information.
- There is a reduction of \$33,831 in MCPS TV, including \$24,131 in supplies and \$9,700 in equipment.

Support Operations

Department of Transportation

- There is a reduction of 5.625 bus operator positions at a savings of \$221,215 and operating costs of \$189,585 by eliminating 6 buses needed for enrollment growth as a result of improved efficiency in routing without any decrease in services to students.
- There is a reduction of \$315,760 by receiving a state waiver for continued use of 20 buses that otherwise would reach the end of their allowed services in FY 2013. State law requires each of the waived buses to pass safety inspections before they can continue in use.

School-based

K-12 Instruction

- There are reductions totaling \$652,000 in elementary schools, including \$324,000 for professional part-time salaries due to changes in the model for training assistant principals that no longer require this expenditure, \$108,000 in supporting series part-time salaries, \$100,000 in consultants that support schools, \$80,000 in local travel, and \$40,000 in school projects based on past expenditure patterns.
- There are reductions totaling \$165,478 in middle schools, including \$144,958 in one-time instructional materials for the middle school reform program and \$20,520 in stipends for gradebook advisers and Edline supervisors. Some stipends for gradebook supervisors will remain available to schools. Stipends for gradebook advisers in high schools also are reduced by \$27,000.

Office of School Performance

- Reductions in the High School Plus program total \$237,378, including \$230,879 in professional part-time salaries and \$6,499 in substitutes. Efficiencies in the organization of High School Plus classes have reduced expenditures without reducing student participation in the program.
- Reductions in Alternative Programs total \$29,820, including \$15,240 for contractual services and \$14,580 for part-time salaries, based on program requirements.

Office of Curriculum and Instructional Programs

- Reductions in the Division of Early Childhood Services total \$43,268, including \$21,813 in instructional materials, \$8,000 in food, \$6,000 in field trips, \$3,000 in parent activities, \$2,976 in substitutes, and \$1,479 in part-time salaries in the pre-Kindergarten programs based on program requirements.
- Other reductions in this office include \$71,766 in assessment stipends and \$1,489 in substitutes.

Office of Special Education and Student Services

- Reductions in the Office of Special Education and Student Services include \$17,577 in part-time salaries at the Regional Institute for Children and Adolescents (RICA), \$21,600 in student part-time salaries in Transition Services, and \$10,800 in extracurricular activities in the Department of Special Education Services, based on program requirements.

Other School-based Reductions

- There is a reduction of \$675,115 by eliminating a projected 3 percent inflationary adjustment for instructional materials and building services supplies. As prices increase, this reduction will reduce the amount of materials that may be purchased. An inflationary adjustment of 3 percent is included in the budget for maintenance supplies.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Summary of Previous Budget Reductions

During the past four years, Montgomery County Public Schools has made more than \$300 million of budget savings, including reductions of more than \$170 million in base budget reductions. Additionally, employees did not receive \$89.5 million of negotiated wage increases and \$54.0 million of seniority salary increments. Budget reductions have been targeted to minimize disruptions to classroom instruction and to preserve as much as possible the highest priority improvement initiatives. Some of these reductions, such as textbooks and instructional materials, will need to be restored in future budgets. Central services reductions have included 235.8 full-time (FTE) positions and \$37.9 million (more than 20 percent of total central services expenditures). Following are excerpts from previous lists of reductions that show some of the major reductions from FY 2009 to FY 2012. Complete descriptions of all reductions are available in previous editions of the operating budget available on the MCPS web site.

Fiscal Year 2012

Budget Reductions	FTE	Dollars in Millions
Total	322.2	\$30.1
Central Services	46.7	\$8.7

Central Services Reductions—\$8,704,316

Reductions included \$8.7 million in central office reductions including major reorganizations to abolish 46.7 central office positions and concentrate responsibilities among remaining positions. The impact of the reductions by office follows:

Office of Curriculum and Instructional Programs

There was a reduction of 8.5 positions and \$1,117,046 in the Office of Curriculum and Instructional Programs. This included a reduction of 2.0 positions and \$286,111 in the Department of Curriculum and Instruction. The coordinator of postsecondary partnerships position was eliminated. Eliminating a 1.0 instructional specialist for elementary and secondary reading, language arts limited implementation of system-wide training for the William and Mary, Junior Great Books, and Jacob's Ladder programs. In the Department of Instructional Leadership Support there was a reduction of 2.0 positions and other cuts in stipends, contractual services, and materials totaling \$374,634. Eliminating the supervisor for middle school instruction limits support for implementation and monitoring of middle school expansion courses; the design and delivery of professional development for middle schools; and for conducting class observations for the extended year program.

Office of Special Education and Student Services

There was a reduction of 7.2 positions and other resources totaling \$832,886 in the Office of Special Education and Student Services. In the Department of Special Education Services 2.0 positions and other resources totaling \$310,524 were eliminated. There was a reduction of a 1.0 special education supervisor position that provides oversight and supervision of the administration of the Alternate Maryland School Assessment, the Fundamental Life Skills curriculum development, and support to secondary special education resource teachers.

Office of the Chief Operating Officer

There was a reduction of 4.0 positions and \$632,412 in the Office of the Chief Operating Officer.

Office of the Chief Technology Officer

In the Office of the Chief Technology Officer there was a reduction of 6.0 positions and \$1,274,004.

Office of Shared Accountability

In the Office of Shared Accountability the elimination of 2.1 positions resulted in a budget reduction of \$224,935. The reduction of a 1.0 evaluation specialist in the Applied Research Unit limited the unit's capacity to respond to, analyze, and report on student performance and program data and provide survey support to stakeholders.

Office of Human Resources and Development

The budget for the Office of Human Resources and Development (OHRD) was reduced by 2.3 positions and \$507,061. Eliminating a 1.0 instructional specialist in the Team Development Unit diminished the capacity of the Professional Learning Communities Institute (PLCI) team to work effectively with school leadership teams to improve student achievement. Reductions in part-time salaries, substitutes, and stipends were made based on efficiencies that have resulted from the FY 2011 reorganization that combined the Office of Human Resources and the Office of Organizational Development.

Reserve Positions—\$1,303,870

A reduction of 20 reserve teacher positions reduced the flexibility needed to allocate positions to schools that have higher than projection enrollment or special needs. This in turn, affected class sizes at some schools.

Media Assistants—\$1,426,349

Library media assistants work with media specialists and are assigned to schools based on enrollment. For FY 2012, there was a reduction of 34.375 positions.

Instructional Data Assistants—\$1,003,753

IDA hours were reduced between one and three hours resulting in less time being available to support principals and other staff members with data gathering, monitoring, and analysis.

Academic Intervention Teachers—\$586,737

There was a reduction of 9.0 academic intervention teacher positions. Academic intervention teachers are school-based teachers who are assigned to schools to work with students who need additional support.

Elementary and Secondary School Counselors—\$593,853

A reduction of 5.0 elementary and 2.0 secondary school counselor positions reduced services available to students in need of counseling. A decrease in the number of school counselors increased the ratio of students to school counselors. This reduces the availability of emotional, social, behavioral, and academic support to students.

Staff Development Teachers—\$3,715,300

Staff development teachers (SDTs) provide time for teachers to engage in job-embedded professional development. The reduction of 51.2 staff development teacher positions impacted elementary, middle, and high schools. Schools allocated a reduced SDT position had an option to take this reduction in another position based on school needs so that the full-time SDT position can be maintained.

Athletics—\$750,000

The reduction of \$750,000 reduced stipends for support of athletic teams and events.

Fiscal Year 2011

Budget Reductions	FTE	Dollars in Millions
Total	446.8	\$52.6
Central Services	51.4	\$8.2

Central Services Reductions—\$8,215,952

Reductions included \$8.2 million in central office reductions including major reorganizations to abolish 51.4 central office positions and concentrate responsibilities among remaining positions. The impact of the reductions by office follows:

Office of the Deputy Superintendent of Schools

The chief academic officer (CAO) position and \$221,081 was eliminated for FY 2011. The position was a key leadership position that coordinated the work of the offices of Curriculum and

Instruction, Organizational Development, Special Education and Student Services, and School Performance.

Office of Curriculum and Instructional Programs

As a result of the FY 2011 budget crisis, the Office of Curriculum and Instructional Programs (OCIP) lost 7.5 positions and other resources totaling \$1,095,778. The elimination of 2.0 instructional specialist positions in DCI delayed the development, revision, and rollout of prekindergarten through Grade 12 curriculum and assessments to schools.

Office of Special Education and Student Services

There was a reduction of 5.3 positions and \$831,870 in the Office of Special Education and Student Services (OSESS).

Office of School Performance

For FY 2011, there was a cut of 3.0 positions and \$419,748 in the budget for the Office of School Performance. The elimination of the 1.0 director of Academic Support Initiatives position and a 1.0 secretary position reduced support and technical assistance to Title I and other focus schools as they work to implement a challenging academic program and improve student achievement. In addition, there was an impact on the ability of staff to effectively manage federal Title I grant funds and administer the intricate federal and state Title I guidelines. Cutting a 1.0 director of school performance position reduced direct support to 40 schools that have increasing numbers of students from diverse backgrounds and with complex needs.

Office of Organizational Development

The Office of Organizational Development was originally created to bring all staff development and school system training activities under one office to maximize resources and assure coordination, and, ultimately, to assure the academic success of students. The fiscal crisis required that the Office of Organizational Development be eliminated for FY 2011, resulting in the elimination of 13.8 positions and \$1,191,431. The different functional units within the office were moved to the offices of Human Resources and Development, Curriculum and Instructional Programs, and the Chief Technology Officer. The reductions included the elimination of a 1.0 associate superintendent position, a 1.0 administrative assistant position, a .8 instructional specialist position, and 2.0 administrative secretary positions. Elimination of these administrative leadership and support positions diminished the gains made over the last several years in providing effective coordination and facilitation of staff development opportunities. There also was a reduction of \$1.0 million related to staff development training projects.

Office of the Chief Technology Officer

The reduction of 7.0 positions and \$1,059,573 in the Office of the Chief Technology Officer impacted the provision of high-quality technology systems that ensure student success. The elimination of two supervisor positions reduced oversight and coordination of staff and

operations in the Data Center and in the Student Systems Operations Unit, which, in turn, delayed the output of student data for use by schools and MCPS offices. There also were reductions in contractual maintenance totaling \$263,174.

Office of the Chief Operating Officer

The reduction of 5.3 positions and \$602,668 in the Office of the Chief Operating Officer affected business operations and the provision of support services that are essential to the educational success of students.

Office of Communications and Family Outreach

For FY 2011, 4.0 positions and \$519,511 were cut from the Office of Communications and Family Outreach. The elimination of a 1.0 director position impacted the leadership and coordination of functions provided by the departments of Family and Community Partnerships, Multimedia Services (television, graphic and publishing services), and Public Information (internal/external, including Web-based). A cut of a 1.0 supervisor position eliminated direct oversight of the work of five Web Team staff members that are responsible for coordinating the MCPS website and assisting schools and offices in migrating into a Web publishing system.

Office of the Superintendent of Schools

A 1.0 administrative secretary position and equipment funds were cut in the Office of the Superintendent of Schools.

Other central services reductions distributed among various offices included \$256,000 for local travel, \$91,000 for instructional television, and \$94,879 for office supplies.

Continuing Salaries—\$25,993,386

MCPS has always budgeted for contractually mandated salary schedule increments and longevity adjustments. These increments are provided to employees based on years of experience. Employees eligible for increments receive a salary increase of an average of approximately 3 percent annually. Continuing salaries also include longevity increases and other adjustments based on contractual obligations. The Board of Education and the three employee associations, the Montgomery County Education Association (MCEA), the Montgomery County Association of Administrators and Principals (MCAAP), and SEIU Local 500 (SEIU) reached agreement on contracts for FY 2011 and agreed that no employees would receive salary increments in FY 2011.

Class Size Increase—\$16,214,688

The reduction of class size has been one of the most important academic improvement initiatives over the last 10 years. Class size reductions have been concentrated in primary grades and in schools with the highest proportion of low-income students. The operating budget reduced staffing by 252 positions at a savings of \$16.3 million. This resulted in an increase in class size

by an average of one student at each grade level. This reduction removes nearly one half of all improvements in class size over the last 10 years.

Academic Intervention Teachers—\$1,544,256

There was a reduction of 24.0 academic intervention teachers. Academic Intervention positions are school-based staffs who work with students who are in need of supplementary academic resources to support quality education. These positions are allocated based on a concentrated poverty formula and provide targeted support for achievement of students attending schools that are significantly impacted by poverty.

Secondary School Counselors—\$673,636

A reduction of 6.0 secondary school counselor positions diminished services available to students in need of counseling services.

Staff Development Teachers—\$669,178

The reduction of 10.4 Staff Development Teacher (SDT) positions means that secondary school staff development teachers in non-middle school reform schools now teach one period.

Maintenance Positions—\$342,240

This reduction eliminated 6.0 maintenance positions. This reduced the level of maintenance and repair services, threatening to increase the current backlog of emergency repair orders. In the last four years, the Division of Maintenance has lost 19 positions, contributing to delays in completing work despite significantly improved productivity. At the same time, square footage to be maintained has increased by 8 percent to 23 million square feet.

Middle School Reform—\$1,716,701

There was a reduction of \$424,670 and 6.6 teacher leader positions that provide direct support to teachers in building their knowledge and pedagogical skills in teaching literacy across the curriculum and mathematics using strategies designed for the adolescent learner. The elimination of \$1,292,031 in stipend funding for Middle School Reform cohort collaborative work limited the time classroom teachers and paraeducators have to work together to design, implement, and evaluate effective instruction.

Other Post-Employment Benefits (OPEB)—\$42,862,250

MCPS eliminated its planned contribution to the Retiree Health Trust Fund.

Inflation and 30 Percent Cut for Textbooks and Instructional Materials—\$9,449,355

There was a reduction of \$9.4 million in textbooks and instructional materials for FY 2011, including \$1.5 million that was added in FY 2011 to cover projected increases for inflation.

Bus Fuel—\$400,000

This reduction eliminated the substitution of more expensive B5 biodiesel fuel for ultra low sulfur diesel fuel (ULSD).

Furniture and Equipment—\$878,650

Furniture and equipment funds in the K–12 budget are used to purchase furniture for classroom and equipment required to implement the curriculum. Each year equipment needs are assessed and prioritized. Since the amount budgeted for equipment is already small, only the highest priority items are scheduled for purchase. A complete cut of the \$562,370 budgeted meant that new and replacement equipment would not be available. There was a reduction of \$316,280 in furniture and equipment accounts throughout other MCPS offices.

Fiscal Year 2010

Budget Reductions	FTE	Dollars in Millions
Total	251.9	\$32.2
Central Services	90.1	\$13.6

- For FY 2010, the operating budget included \$32.2 million of reductions and efficiencies, including a reduction of 251.9 positions that make resources available for new programs and higher priority uses.
- More than 50 percent of the FY 2010 reductions came from central services and support functions (\$16.4 million).
- A total of \$16.0 million was reduced from school-based resources.

Central Services

For FY 2010, central services reductions totaled \$13,616,288, including 90.1 positions and related employee benefits. These reductions comprised 42 percent of the total reductions. They were equal to 7.1 percent of central services resources.

Office of Curriculum and Instructional Programs

- Reduction of 2.0 instructional specialists and a 1.0 coordinator in the Department of Curriculum and Instruction at a savings of \$326,015, resulting from streamlining curriculum products. Direct support to schools remains a high priority.

Office of Special Education and Student Services

- Reduction of 6.0 positions in the Department of Student Services at a savings of \$633,676. This reduction resulted from the reorganization of this department to serve schools more directly. The three existing field offices were eliminated and the pupil personnel workers and school psychologists currently housed in these offices assigned to

available school locations. This has improved the visibility and connection of this staff to the schools.

- The reorganization reduced 3.0 field office director positions, 4.0 instructional specialist positions, 2.0 secretary positions, 1.0 administrative secretary, 1.0 psychological services supervisor, and 1.0 PPW services supervisor.
- Reduction of 1.5 positions and \$132,507 by relocating the Emory Grove and McKenney Hills alternative programs to the Mark Twain site. Closing the Mark Twain School in FY 2009 made this space available for other school programs.

Office of Organizational Development

- Reduction of 6.7 instructional specialist positions and a 1.0 specialist position at a savings of \$797,483. These positions included a 1.0 instructional specialist and a 1.0 technology consultant on the Technology Consulting Team, 3.2 instructional specialist positions on the Skillful Teaching and Leading Team, 2.0 instructional specialist positions on the Curriculum Training and Development team, and a 0.5 instructional specialist position on the university partnerships project.
- Reduction of 6.0 consulting teacher positions at a savings of \$529,200. The 28.0 consulting teachers each serve at least 16 novice or underperforming teachers and make recommendations on teacher performance to the Peer Assistance Review (PAR) panel. Reduced hiring of novice teachers because of fiscal constraints reduced the need for consulting teachers in FY 2010.
- Reductions of \$1,105,000 in training stipends and instructional materials for a variety of projects delayed because of reductions in other system programs.

Office of School Performance

- Reduction of 1.0 school performance director position at a savings of \$171,988. School performance directors support the community superintendents in providing support to schools and principals. Remaining school performance directors in quad/quint cluster units with more than one director position absorbed the duties of this position.

Office of the Chief Operating Officer

- Savings in utility consumption due to restrictions on air conditioning usage during summer peak load periods and other efficiencies with a total savings of \$1,000,000.

K-12 Instruction

- Reduction of 17 kindergarten teacher positions at a savings of \$1,070,898. Class size guidelines for kindergarten in focus schools increased by two from 15 to 17 resulting in 17 fewer kindergarten positions. Kindergarten allocations in focus schools are now the same as allocations for first and second grades. Non-focus school class size guidelines were not impacted by this change.

- Reduction of 8.7 elementary special programs teachers for a savings of \$548,048. In addition to classroom teachers, a total of 27.3 teacher-level positions were allocated to elementary schools to support special programs.
- A reduction of 15.8 academic intervention teachers at a savings of \$1,271,376
- A reduction of 16.0 alternative teachers at a savings of \$1,007,904.
- A reduction of 15 literacy positions for a savings of \$944,910.
- A savings of \$2,667,623 from decreasing the textbook and materials budget.

Fiscal Year 2009

Budget Reductions	FTE	Dollars in Millions
Total	330.0	\$38.3
Central Services	47.5	\$7.4

Office of Organizational Development

- Reduction of 7.0 instructional specialist positions at a savings of \$658,112 in the Staff Development Specialist Team. These positions provided support to staff development teachers. The reduction maintains 6.0 staff development specialists.
- Reduction of 5.0 other instructional specialist positions at a savings of \$470,080, including 1.0 position in the central Office of Organizational Development, 1.0 position in the New Teacher Induction team, a 1.0 position on the Curriculum Training and Development team, and 2.0 positions in the Department of Instructional Technology.
- Reductions of \$257,038 in stipends for elementary school curriculum training resulting from a simplification of the training model, \$133,132 in stipends from a change in the technology consulting training model, \$100,000 from reductions in the Studying Skillful Teaching program, \$200,000 in stipends for other curriculum training, and \$100,000 from elimination of the use of outside vendors to develop content for the Online Learning program.

Office of the Chief Technology Officer

- Reorganization of the Office of the Chief Technology Officer compressed the management structure of the office flatter with more units reporting directly to the chief technology officer. This management change resulted in the elimination of a 1.0 executive director position at a savings of \$162,214, a 1.0 director II position in the Department of Information and Applications Services at a savings of \$161,672, and 2.0 other positions, including an administrative secretary and an administrative services manager at a savings of \$163,914, for a total savings of \$487,800.
- Migration of central applications from the mainframe to the client server system resulted in a reduction of \$159,596 from mainframe hardware and software maintenance and \$96,335 in contractual maintenance.

Office of School Performance

There was a reduction of 2.0 central office positions, at a savings of \$282,807, including a 1.0 coordinator and a 1.0 instructional specialist. Their duties were absorbed by other office staff.

Support Services Reductions

Efficiencies in the provision of support services, total \$1,983,468, including the following:

Office of the Chief Operating Officer

- Savings of \$593,789 from not replacing 45 buses earlier than required by state law as part of the multiyear replacement plan. No state waivers were necessary to continue using these buses.
- Savings of \$301,229 through efficiencies in bus route assignments, including a reduction of special routes due to more special education students attending home schools.
- Savings in utility consumption due to systemwide lighting technology upgrades of \$750,000 and restrictions on air conditioning usage during peak load periods of \$250,000.

School-based Reductions

School-based reductions included 156.0 positions (\$9.9 million), most of which were vacant, including teachers, elementary principal interns, assistant school administrators, media assistants, paraeducators, and building service worker positions. Other school-based reductions totaling \$4.3 million included cuts in professional part-time salaries, stipends, consultants, instructional materials, equipment, and related employee benefits.

Reductions also included closure of the Mark Twain special education program (\$1.2 million).

The FY 2009 operating budget also did not include a total of \$89.5 million of general wage adjustments previously negotiated. Employee unions agreed to forego these increases.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Program Realignments

Each year, the Montgomery County Public Schools (MCPS) realigns millions of dollars of positions and other resources within and between units to implement the strategic plan by aligning resources with the most important priorities. Each unit reviews all expenditures through a zero-based budgeting process to identify expenditures that can be realigned to more important priorities. For FY 2013, \$1.5 million is realigned between units to higher priority purposes. Other resources are realigned within units. Some of the major realignments are described below.

K-12 Instruction

- Realignment of substitute and other non-position salaries within and between school levels to reflect changes in expenditure patterns (net total of \$147,140)

Office of Curriculum and Instructional Programs

- Realignment of a 1.0 supervisor position from the Department of Instructional Leadership Support to the Department of Curriculum and Instruction (\$111,826)
- Realignment of professional part-time salaries to create a 0.7 applications developer I position in the local match portion of the Perkins Vocational and Technical Education federal grant (\$78,357)

Office of Special Education and Student Services

- Realignment of a .75 secretary position in the Speech/Language program to the Placement and Assessment Services unit to provide needed support (\$30,161)
- Realignment of 10.8 speech-language pathologist positions from the pre-school resource program to the K-12 resource program to reflect program needs (\$923,026)
- Realignment of resource materials and media center materials to textbooks in the Department of Special Education Services to reflect program needs (\$93,355)
- Realignment of contractual services to supporting services part-time salaries within the Infants and Toddlers program to reflect program requirements (\$75,000)

Office of the Chief Operating Officer

- Realignment of 2.0 warehouse/driver positions and a 1.0 operations assistant position from the Department of Materials Management to the Entrepreneurial Activities Fund to reflect increased projected revenue in the warehouse component of the Entrepreneurial Activities Fund (\$144,615)
- Realignment of building rental expenditures from the Department of Facilities Management to the Real Estate Management fund to reflect concentration of leased office space at 45 W. Gude Drive (\$195,749)

Office of the Chief Technology Officer

- Realignment of a 1.0 secretary position from the Office of the Chief Technology Officer to the Department of Strategic Project Management and Planning (\$47,496)
- Realignment of contractual and consultant services in the Department of Information and Application Services to contractual maintenance in the Department of Infrastructure and operations to reflect program priorities (\$213,468)

Office of Human Resources and Development

- Realignment of consultant services to contractual services in the Department of Professional Growth Systems (\$166,655)

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Productivity and Resource Sharing

The Montgomery County Public Schools (MCPS) FY 2013 Operating Budget reflects continued efforts to improve productivity by reducing costs, working closely with other county agencies, and realigning existing resources to higher priorities. Below are details of some recent productivity improvements.

Strategic Plan

- The MCPS strategic plan: *Our Call to Action: Pursuit of Excellence* maximizes productivity by setting consistent goals, strategies, measures, and targets for the entire school system. Consistency and constancy of purpose avoids the danger of wasting resources on priorities not aligned with system goals.
- The plan is reviewed annually through extensive public outreach and participation to make steady course corrections to keep the plan a living document, guiding the use of resources.
- The *Annual Report on Our Call to Action* summarizes the effectiveness of strategies and holds the school system accountable for measurable results. Aligned with the goals of the strategic plan, the report comprehensively reviews student achievement data, disaggregated by sub-groups and linked to state and federal requirements.

Baldrige Education Criteria for Performance Excellence

- Adoption of the Baldrige Quality Criteria provides a model for continuous improvement at all schools and offices. Every school has received Baldrige quality training. School improvement plans reflect a more focused approach using Baldrige principles.
- In 2010, MCPS won the national Malcolm Baldrige National Quality Award, one of only seven business and public organizations nationwide, and the only educational organization to be honored. MCPS is by far the largest K-12 school system ever to be a Baldrige winner.

Process Improvement

- MCPS is a member of the Process Improvement and Innovation in Education project administered by the American Productivity and Quality Center (APQC).
- Based on this process centered approach, every MCPS office has developed and shared process maps and descriptions that define major processes and used these process maps as a tool to improve quality and efficiency.

Resource Sharing

Montgomery County Public Schools works actively in many areas with other county agencies to make productivity savings. Current activities include joint bidding of contracts, printing services, energy conservation, staff training, employee benefits, and technology services. In FY 2012, MCPS representatives are involved in the work of the Cross-Agency Resource Sharing (CARS) Committee to identify new opportunities for savings through resource sharing among agencies.

Productivity Improvements

Many MCPS units have applied productivity tools to achieve significant improvements. MCPS has reduced its budget requests by more than \$172 million over the past four years, redirecting resources to improvement initiatives in the classroom and reducing the need for taxpayer resources. Savings enabled MCPS to return more than \$70 million to the county over the past three years. Examples of productivity improvements include the following:

- Reorganization of the Office of the Chief Technology Officer and the Department of Student Services flattened management structures and eliminated 10.0 positions and \$1.1 million in FY 2010.
- Copy-Plus centralizes copying of over 137 million copies annually, providing teachers with an additional 54,000 hours of instructional time for teachers, and saving over \$1.2 million.
- The TeamWorks copier replacement and maintenance program saves nearly \$800,000 by using economic and reliable in-house maintenance of refurbished copiers.
- On-line ordering has saved paper and postage while reducing the time to fill staff orders. Reduction of printing of many publications, including reducing printing of the operating budget, saved \$430,000 in FY 2010.
- The School Energy and Recycling Team (SERT) improved energy conservation and recycling processes for all 200 schools to avoid \$2.5 million of energy costs.
- Cooperative inter-agency bidding of employee health care services has saved \$4.5 million in administrative costs over three years as part of an estimated \$20 million for all county agencies. These savings are keeping health care more affordable for county employees. Other cooperative purchasing projects include gasoline, printer cartridges, and rock salt.
- A comprehensive audit of dependent eligibility for employee benefits resulted in savings of \$2.5 million.
- New bids for electricity services have locked in favorable prices saving \$3 million and reducing the risk that high energy prices will result in sudden increases in utility costs. Energy conservation through computerized controls reduces electricity costs, saving up to \$1 million annually by minimizing use of electricity grid capacity.

Montgomery County Public Schools

FY 2013 Operating Budget

School Resource Allocations

Most operating budget resources, including staffing, materials, and equipment, are allocated to all individual schools using standard numerical formulas. Budget staffing formulas are published in the annual Superintendent's Recommended Operating Budget. The Board of Education approves budget staffing formulas as part of the operating budget process. The equitable allocation of resources is crucial to ensure that each school has the staff and other assets that it needs to achieve its goals.

- *Allocation Formulas* – Most staffing and other resources are allocated on the basis of enrollment projections. The Division of Long-range Planning provides projections for each school and grade, which are updated in February of each year. For example, in elementary schools, teacher positions are allocated so that classes are 28 or less in Grades 1-3 and 30 or less in Grades 4-5. The allocation ratio is sometimes higher than the budgeted ratio to permit the creation of a system reserve to handle allocation adjustments when needed. In middle schools and high schools, staffing formulas consider the number of periods taken by each student divided by the five periods assigned to each teacher. Other enrollment-based formulas are listed for each allocated position in the Budget Staffing Guidelines (Appendix D of the operating budget). Some formulas, such as those for building service workers, are based on a school's square footage. For some staffing, schools receive a single position (principal, for example), or a fraction of a position, regardless of enrollment. Amounts for instructional materials and equipment are based on a per student formula.
- *Special Program Support* – Schools receive additional positions above a standard allocation for special programs that they provide. Special programs include Title I for high poverty schools, reading initiative teachers, ESOL, signature programs, high school consortia, and other special programs. High poverty elementary "focus" schools receive additional positions to make possible lower class size in primary grades. In addition, schools may be allocated academic intervention teachers for special purposes, often for intervention programs to help students. The special program support accounts for much of the difference in per pupil costs from one school to another, although all schools at each school level receive similar standard allocations based on established ratios.
- *Special Education* – Special education resources are allocated differently than general education K-12 resources. For each disability category, special education positions, including teachers, paraeducators, and other staff resources, are allocated based on a formula tailored by disability program. Special education allocations may be based on enrollment, on the hours of service required to meet a student's needs, or on the number of teaching stations required to serve students across the entire county. Staffing for special education is another factor that explains why some schools have higher per pupil costs than other schools. Special education allocations also are published in the

Superintendent's Recommended Operating Budget (Appendix E). Once approved by the Board of Education, special education staffing formulas must be submitted to the Maryland State Department of Education annually as part of the Special Education Staffing Plan. The staffing plan is developed with significant community input.

- *Initial Allocation Process* – Schools receive initial staffing allocations for the succeeding school year early in March. Although the operating budget has not yet been approved, initial allocations are necessary to enable principals to plan schedules, decide on needed hiring, and offer staff without a continued position an opportunity to transfer to another school. Principals receive a “staffing grid,” showing them the authorized number for each position.
- *Allocation Adjustments* – There are a limited number of reserve positions used to support schools that experience significant enrollment increases during the summer. Depending on needs, staffing may be allocated as a full-time position or in smaller increments. Schools also may have positions pulled out if not supported by actual enrollment. The community superintendents meet weekly from March until the fall to review requests for additional staffing. Schools also may receive additional special education or ESOL staffing based on updated enrollment.
- *Scheduling Classes* – Schools prepare master schedules based on the allocated staffing. In secondary schools, principals must balance the breadth of course offerings with class size as they develop schedules. The goal is to decide how to use allocated staffing most effectively to support student achievement. Once a school develops its schedule and identifies staffing needs, it can begin the hiring process to ensure that all required staff is on board for the start of school.

Montgomery County Public Schools

Fiscal Year 2013 OPERATING BUDGET

Special Education

The Montgomery County Public Schools (MCPS) Fiscal Year (FY) 2013 Operating Budget includes \$425.4 million for services for students with disabilities, an increase of \$8.2 million. The total is 20.0 percent of the MCPS operating budget. Total expenditures include \$276.4 million for special education instruction (Category 6), \$67.7 million for special education transportation, and \$81.3 million for employee benefits. Funding of special education instruction in FY 2013 is 83 percent local, 11 percent state, and 6 percent federal.

Major Functions

The Office of Special Education and Student Services (OSESS) is charged with oversight of the delivery of special education services to approximately 17,000 students with disabilities. OSESS provides a comprehensive, collaborative, and individualized support system that enables students with disabilities access to high-quality, rigorous instruction within the least restrictive environment (LRE); develops, coordinates, and enhances efforts to align general and special education; develops and monitors programs; and promotes and coordinates the use of technology necessary to meet the needs of every student.

OSESS provides ongoing monitoring of school-based, cluster, and countywide programs to increase the graduation rate of students in special education, reduce overrepresentation of minority students in special education, and ensure provision of a Free and Appropriate Public Education (FAPE) for students with disabilities as required by state and federal mandates.

Significant Strategic Initiatives

- Middle School Special Education Institute – Through a partnership with Towson University, MCPS established the Middle School Special Education Institute (MSSEI) in FY 2010. The purpose of the MSSEI is to build the capacity of general and special education teachers, related service providers, and paraeducators to teach special education students in LRE by providing them with targeted professional development opportunities and observations. Beginning in the 2011–2012, Grade 7 teams from all of the middle schools will have the opportunity to participate in site visits for professional development and observational purposes. Each visit is conducted for the purpose of enabling visiting teams to replicate the instructional strategies observed within their middle schools.
- Prekindergarten (pre-K) Special Education—Providing pre-K special education services in regular early childhood settings has been challenging due to the limited number of regular pre-K programs and services available in MCPS. The Division of Prekindergarten, Special Programs and Related Services and the Division of Early

Childhood Education Programs and Services are collaborating to collocate general and special education pre-K classes to facilitate LRE options for pre-K students. A Prekindergarten Project Team has been working to make recommendations for increasing inclusive opportunities for students ages three through five. Options include creating community partnerships and promoting the involvement of nondisabled neighborhood peers in more special education pre-K classrooms.

- A Secondary Transition Planning Project Team is following through on the recommendations made by the Special Education Continuous Improvement Team Advisory Committee. Primary recommendations include reviewing high school course offerings, providing comprehensive professional development to school-based and central services staff, focusing on effectively transitioning students who have a range of learning styles and academic abilities, and participating in parent information sessions through the MCPS Parent Academies.
- Autism Resource Services are currently provided at three middle schools countywide and will expand to include three high schools countywide. Students with autism spectrum disorders who require supports in the general education setting and instruction in pragmatic and social skills receive Autism Resource Services. Additionally, students receive specialized instruction in core academic classes in a combination of supported general education and special education classes.
- OSESS, in collaboration with the Office of School Performance, will continue to provide Crisis Prevention Institute (CPI) professional development for school-based crisis teams members regarding the use of nonviolent crisis intervention and physical restraint strategies. CPI training provides staff with practical knowledge, skills, strategies, and resources to safely manage difficult behaviors in the classroom setting.

Recent Accomplishments

The Department of Special Education Services is committed to providing opportunities for students with disabilities to receive instruction in the least restrictive environment (LRE). Practices have been developed to ensure that instructional accommodations and differentiated instructional strategies are provided so that students with disabilities are successful. The percentage of special education students in general education has increased by 27 percentage points since the 2000 baseline year, bringing the percentage of students in LRE A to 68.19 percent in FY2011. The MCPS percentage for LRE C was 11.91percent. This represents significant progress for a school system as large as MCPS. It is important to note that MCPS exceeded the state targets for LRE A and LRE C in FY2011. The state target for LRE A was 62.11 percent (exceeding means percentage should be increasing) and the state target for LRE C was 15.36 percent (exceeding means percentage should be decreasing). It is assumed that as LRE C decreases, students will transition into less restrictive settings (LRE A will increase).

MONTGOMERY COUNTY PUBLIC SCHOOLS

FY 2013 OPERATING BUDGET

English for Speakers of Other Languages (ESOL)/Bilingual Programs

English for Speakers of Other Languages (ESOL)/Bilingual Programs provide high-quality instruction, assessment, counseling, and parent outreach activities that enable English language learners (ELL) to demonstrate successful academic performance across all curricular areas.

ESOL Enrollment Trends

Montgomery County Public Schools (MCPS) has the largest ESOL enrollment in the state of Maryland, providing services to 39 percent of the state's ESOL students. ESOL enrollment in MCPS continues to grow steadily each year, with an official fiscal year (FY) 2011 ESOL enrollment of 18,735 students. This represents 12 percent of the MCPS student population. The table below shows that the growth of the ESOL student population is at the elementary level.

Official ESOL Enrollment Trends

	FY 2010	FY 2011	FY 2012
Elementary School	13,949	15,092	15,466
Middle School	1,388	1,450	1,387
High School	2,332	2,193	2,225
Total Enrollment	17,669	18,735	19,078

The figures above show the official enrollment submitted to Maryland State Department of Education (MSDE) for accountability purposes.

A closer examination of the continued growth in elementary ESOL enrollment reveals that the increase is concentrated in Pre-K–2, which now comprises 71 percent of the total elementary ESOL enrollment and 57 percent of the overall Pre-K–12 ESOL enrollment.

The Division of ESOL/Bilingual Programs develops, coordinates, and supports efforts to enhance the academic opportunities and the academic performance of ELL students by focusing all division functions on curriculum and instruction, counseling, parent outreach, and language assistance services.

Curriculum and Instruction

- The development and implementation of a rigorous Pre-K–12 ESOL curriculum aligned to the language proficiency state curriculum ensures that ESOL students develop the academic English needed to achieve Adequate Yearly Progress (AYP) on the Maryland School Assessments (MSA) and to meet Annual Measureable Achievement Objectives (AMAO) in English language proficiency. Training sessions have been developed for and delivered to ESOL teachers and administrators on the effective implementation of the ESOL curriculum and all components of the ESOL instructional program.

Counseling

- Bilingual and cross-cultural counseling provides additional support to enable ESOL students to succeed academically by assisting students with the process of acculturation. Regular individual and group counseling sessions with ESOL students, as well as crisis intervention for ESOL students who are in the process of adjusting to a new school and community environment, assist them in bolstering their academic performance by easing sociocultural challenges.

Parent Outreach

- Efforts to support the academic success of ESOL students are enhanced by the division's multilingual parent outreach team. The ESOL parent outreach team works to provide direct services to ELL families at schools with significant ESOL populations. The team collaborates with the Department of Family and Community Partnerships to ensure a consistent and collaborative approach to parent and family issues. The parent outreach team minimizes linguistic and cultural barriers by using their multilingual skills to support ELL parents in navigating the school system in support of their children's education.

Language Assistance Services

- The Language Assistance Services Unit (LASU) provides professional translation and interpretation services in multiple languages using various media to address the need to communicate essential information to our rapidly growing linguistically diverse community. The LASU also offers interpretation services for large-scale events in schools and central offices, as well as school system-sponsored activities and community forums.

Recent Accomplishments

- In 2011, the ESOL division completed the implementation of ESOL curriculum resources for beginning, intermediate, and advanced ESOL students in Grades Pre-K–12.
- Professional development is provided to ESOL teachers and to content teachers to ensure they have the knowledge and skills to provide effective English language development instruction and to differentiate academic content to make it accessible to ESOL students.
- Through collaborative efforts, the Division of ESOL/Bilingual Programs has continued to implement the Students Engaged in Pathways to Achievement (SEPA) program. This innovative program, now available to all eligible high school ESOL students, addresses the highly differentiated English language acquisition, literacy, social-emotional, and career education needs of older high school students with limited or no formal education.
- The ESOL parent outreach team provided parent training and support to more than 7,600 parents/guardians of ESOL students in MCPS through various detailed workshops and meetings.
- The ESOL counseling team provided individual and group counseling services to ESOL students in Grades Pre-K–12, resulting in over 10,600 counseling service contacts provided to ESOL students and families.
- The MCPS LASU translated more than 797 documents consisting of 2,089 pages into 10 different languages to communicate essential systemwide information relating to

curriculum, instruction, health, and safety. LASU staff also scheduled interpreters to provide services for 7,092 out of 8,326 requests in 44 languages to support schools and MCPS offices in their work with parents and to provide students with equal access to educational services. The Language Line was used by schools and offices to obtain a total of 89,580 minutes of interpretation services in 46 languages for 11,188 interactions, primarily telephone calls and ad hoc visits to schools by parents.

Evidence of Student Achievement

- For the past three consecutive years (2009–2011), ESOL students have exceeded AMAO I targets (percent of students making progress toward proficiency in English) as shown in the table below. Although ESOL students missed the 2009 AMAO II target (percent of students attaining proficiency in English) by one-tenth of one percent, they exceeded the 2010 and 2011 AMAO II targets.

Year	AMAO I MSDE Target %	AMAO I MCPS %	Difference	AMAO II MSDE Target %	AMAO II MCPS %	Difference
2009	56	67.1	11.1	15	14.9	-0.1
2010	58	75.9	17.9	16	19.8	3.8
2011	60	70.4	10.4	17	19.3	2.3

- Overall reading MSA scores for the LEP subgroup have shown consistent improvement in the percentage of students performing at proficient and advanced levels in Grades 5–8 for the past three years (2009–2011). The percentage of LEP students performing at proficient and advanced levels on the reading MSA in Grades 3 and 4 has increased in 2011, with the gap between LEP and all students revealing a slight decrease.
- Overall Grade 3 mathematics MSA scores for the LEP subgroup have shown consistent improvement in the percentage of students performing at proficient and advanced levels for the past three years (2009–2011). In Grades 6–8, there has been an increase in the number of LEP students performing at proficient and advanced levels on the mathematics MSA, with the gap between LEP and non-LEP students narrowing in 2011. Grades 4 and 5 mathematics MSA results continue to reveal challenges for the LEP subgroup, since the number of LEP students performing at proficient and advanced levels shows a declining trend for the past three years (2009–2011), with the gap between LEP students and non-LEP students widening.

Montgomery County Public Schools

FY 2013 Operating Budget

Parent and Community Partnerships

The operating budget for Montgomery County Public Schools (MCPS) includes more than 90 positions dedicated to building parent and community partnerships. This work advances Goal 3 of *Our Call to Action: Pursuit of Excellence*, Strengthen Productive Partnerships for Education.

The Department of Family and Community Partnerships (DFCP) promotes student achievement by strategically creating and fostering connections among diverse families, community partners, and schools, by providing support for school system staff to strengthen family and community engagement.

Significant Strategic Initiatives

- The Parent Academy offers free workshops that provide information for parents on topics such as Curriculum 2.0, the special education process, strengthening advocacy skills, helping children with homework, study skills, understanding teens, and more. The presenters are DFCP staff, other MCPS staff, and community partners volunteering their services. Interpretation and child care services are provided.
- DFCP provides support to schools in planning and implementing parent involvement programs, such focus groups, welcoming environment walk-throughs, Edline activation, and parent and staff workshops tailored to meet the needs of the school community.
- Individual family support is provided for the special education process, parent-teacher conferences, and other school issues that affect students and their families. Additionally, staff shares information and community resources, helps parents build their advocacy skills, and also assists schools with targeted outreach efforts, including home visits and phone calls.
- The Study Circles program helps schools and central services offices address the challenges posed by cultural and racial differences by bringing together parents, teachers, and students from different backgrounds. Trained facilitators lead participants with guided dialogue that leads to the recommendation of action steps which support school improvement and office strategic plans. Each study circle requires planning to adapt the format to meet the different needs of the schools and offices.
- Volunteers are recruited and trained for a variety of programs, including Kids Reading Network, a tutoring program for second graders; ELO-SAIL, a summer instructional program in Title I schools; and the Connection Resource Bank, which identifies community members willing to share their expertise with students and staff. Additionally, DFCP trains the school volunteer coordinators and collects and maintains systemwide volunteer data.

- The Back-to-School Fair is held annually, the Saturday before the first day of school. With collaboration and support from government agencies, business and community organizations, and volunteers, students, and their families can find out information, get questions answered about the school system, access community resources to support student learning and enjoy entertainment and family-fun activities. Additionally, 7,000 backpacks filled with school supplies were given away to families in need.
- ASK MCPS events held in neighborhood and business locations provide opportunities for parents to ask questions and access information. DFCP hosts ASK MCPS drop-in coffees are held at the Carver Educational Services Center throughout the school year.
- The ASK MCPS Call Center at 301-309-MCPS (6277) responds to calls each weekday from 7:30 a.m.–5:00 p.m. Information is provided in English and Spanish. Questions also can be emailed to AskMCPS@mcpsmd.org. The ASK MCPS call center and email drop box are primarily handled by a communications assistant and office assistant who both perform other duties for DFCP such as web master, data entry, materials preparation, and other tasks to support the department.
- DFCP coordinates two parent workshops annually for the George B. Thomas Sr. Learning Academy Saturday School for parents of students in Grades 1-12 at twelve high school sites. DFCP staff and teachers recruited and trained by DFCP conduct the sessions in both English and Spanish.
- The Parent Advisory Council (PAC), facilitated by DFCP advises the school system on ways to improve two-way communication and parent engagement efforts and also provides feedback on materials developed by the MCPS to ensure that they are “parent-friendly” and easy to understand. The thirty members of the PAC represent the diversity of the student population and are selected through a nomination process. Through the Parent Academy and as requested by schools, the PAC conducts training in English and Spanish on parent advocacy and serves on welcoming environment walk-through teams. Each year PAC members serve on parent panels for training for assistant principals, principal interns, and at principal cluster meetings, to share experiences and best practices to improve parent engagement.
- Other MCPS units actively involved in family and community partnerships with positions specifically budgeted for parent engagement include the Office of School Performance, the Division of Title I Programs, the Division of ESOL/Bilingual Programs, and the Office of Special Education and Student Services. Efforts of all these units are coordinated and aligned with the strategic plan through the Office of the Deputy Superintendent of Schools.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Accelerated and Enriched Instruction

The Division of Accelerated and Enriched Instruction (AEI) develops exemplary program models, instructional guidelines, curriculum components, and training in differentiated instruction to support students who are identified as gifted and talented (GT) or who have the motivation or potential to achieve at highest levels.

Trends in Accelerated and Enriched Instruction

While there has been significant expansion of accelerated and enriched instruction over the past decade, Montgomery County Public Schools (MCPS) continues to face the challenge of providing access to rigorous instruction for all students. More students are accessing challenging courses than ever before, but the need to improve courses and instruction that challenges advanced students remains. Ensuring that students who may benefit from advanced courses are enrolled in the correct level is a system priority. In 2009–2010, AEI led a collaborative effort among offices and schools to streamline existing processes to notify parents and ensure that students receive the most appropriately challenging level of instruction. This Student Instructional Program Planning and Implementation (SIPPI) process was piloted in Grade 2 in 31 elementary schools. While further refinements will be incorporated, the preliminary results of the SIPPI process offer more encouraging and optimistic outcomes for children related to access, opportunities, equity and excellence.

Recent Accomplishments

Through significant support from the Board of Education, MCPS has made much progress toward its strategic goals as follows:

- The number of elementary school highly gifted centers has doubled since 2001, from four to the current eight sites. The Highly Gifted Centers integrated curriculum was fully implemented in the eight centers and units one and two were implemented at a non-center elementary school and at the GT/LD Centers.
- A second magnet—Humanities and Communication and Mathematics, Science, and Computer Science—opened at Roberto W. Clemente Middle School in 2004, providing the upcounty with services for the highly gifted.
- Three student-choice whole school magnets—Argyle, A. Mario Loiederman, and Parkland middle schools—opened in 2005.
- The whole-school magnet programs at Poolesville High School, including an expansion of the Montgomery Blair Science, Mathematics, and Computer Science Magnet Program and a new Humanities Magnet Program were expanded to Grade 12, thus completing the four-year sequence projected for 2010.

- Enrollment in IB programs expanded from 515 students in 1999 to 9,563 in 2011.
- In 2010, John F. Kennedy and Seneca Valley High Schools received authorization for International Baccalaureate Diploma Programs. MCPS now hosts a total of eight diploma programs, five International Baccalaureate Middle Years Programs, and one Primary Years Programme. This year, AEI will begin a pilot of the IB Career Certificate at Rockville HS and Watkins Mill HS to widen participation to an IB education.
- MCPS developed a partnership with Towson University to offer a Master's concentration in Gifted and Talented instruction. A cohort of MCPS teachers began the program in the fall of 2008, and a second cohort began in January of 2010.
- Curriculum 2.0, which includes a Primary Talent Development component, was implemented in all elementary schools in K and Grade 1; and, in 119 (out of 125) elementary schools in Grade 2. AEI and Curriculum 2.0 staff continues to collaborate on expanding the critical and creative thinking strategies of AEI's Program of Assessment, Diagnosis, and Instruction (PADI) program into the integrated curriculum model for Grades 1-5.

Evidence of Student Achievement

The number of MCPS students enrolling and successfully completing advanced-level courses continues to rise. The following information is in accordance with the most current data available:

- The MCPS Class of 2010 set new Advanced Placement (AP) examination participation and performance records. In 2010, 66.1 percent of MCPS graduates took one or more AP exams, a rate that was 22.7 and 37.8 percentage points higher, respectively, than the rate for public school graduates in Maryland (43.4 percent) and the nation (28.3 percent).
- Particularly noteworthy was the contribution of MCPS graduates to Maryland's first place in the national ranking for AP exam performance. For the third year in a row, Maryland had the highest percentage of graduates who earned one or more AP exam scores of 3 or higher. Without the contributions of MCPS graduates, Maryland's ranking would have slipped from first to eighth place. MCPS students comprised only about 17 percent of the state's graduates in 2010.
- The percentage of MCPS graduates who earned at least one AP exam score of 3 or higher increased 19.3 percentage points between 2000 and 2010, compared with increases of 12.3 and 6.7 percentage points for graduates in Maryland and the nation, respectively.
- Among African American graduates in the class of 2010, 44.2 percent took at least one AP exam, compared to 16.5 percent nationally. More than one half of MCPS African American test takers earned scores of 3 or higher, far outpacing the nation (26.9%).
- More than half of Hispanic students in the MCPS graduating class of 2010 took an AP exam, compared with 27.0% nationwide. Among test takers, 68.1 percent earned a 3 or higher, compared to 54.5 percent nationally.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Human Resources and Professional Development

The Montgomery County Public Schools (MCPS) strategic plan, *Our Call to Action: Pursuit of Excellence*, confirms the importance of hiring quality professionals, providing professional development for all staff, and recognizing all staff as they work to improve student performance. Goal 4 of the strategic plan is to “Create a Positive Work Environment in a Self-Renewing Organization.” Three milestones within this goal are “systems are in place to recruit, support, and retain highly qualified and diverse professional and support personnel;” “all employees will be provided with high-quality professional development opportunities to promote individual and organizational effectiveness;” and “MCPS recognizes staff efforts and achievement in pursuit of system goals and related priorities.”

Major Functions

The work of the Office of Human Resources and Development (OHRD) to advance system goals is divided into six critical areas that are all essential in the pursuit of student achievement:

- Recruiting and hiring staff for all positions within MCPS
- Maintaining compliance with all federal and state laws regarding employees
- Managing and monitoring the certification and continuing education needs of all certificated employees, and managing pre- and post- employment higher education partnerships
- Building the capacity of teachers, administrators, and support professionals
- Building the capacity of teams, schools, and offices to lead for equity and excellence
- Recognizing employees at all job levels whose efforts have yielded improved student learning

Recruiting and Hiring Staff

Recruiting a high quality staff is paramount to a self-renewing organization. The Department of Recruitment and Staffing recruits nationwide to ensure that teacher and supporting services positions are filled from a broad, diverse, and high-quality applicant pool. In collaboration with other OHRD staff, the department manages MCPS pre-employment and recruitment partnerships with local universities that are designed to increase the number of applicants from diverse ethnic backgrounds and in critical shortage fields, specifically in the most challenging schools.

Maintaining Compliance

The Performance Evaluation and Compliance Unit conducts pre-employment background

checks, including processing fingerprints at the opening of school, and monitoring litigation, equal employment opportunity, human relations, and discrimination issues that are raised by employees. This unit oversees the employee evaluation systems, provides counseling and consultation services through the Employee Assistance Program to intervene in and prevent work performance issues, and processes all employee dismissals and non-renewals.

Managing and Monitoring Certification, Continuing Education, and University Partnerships

The Department of Certification and Continuing Education (DCCE) manages and monitors the certification and related needs of nearly 13,000 professional employees and manages and monitors twenty-seven pre- and post-employment higher education partnerships with area universities and colleges. These partnerships have produced 261 program graduates and approximately 470 program participants during the 2010–2011 school year and have helped staff members pursue advanced degrees and certification in areas that are critical to the system, including special education, world languages, and science.

Building the Capacity of Teachers, Administrators, and Support Professionals

The foundational element in the success of our school system is a highly effective teacher in every classroom. OHRD works to realize this foundation by providing high-quality job-embedded professional development for the 11,550 teachers who work directly with our students. This effort begins with the New Teacher Induction (NTI) program which serves approximately 500 teachers every year. The primary goal of the NTI program is to support and retain novice and experienced new-to-MCPS educators through a comprehensive induction system that improves instructional practice. The Onboarding experience begins with a mandatory course that is delivered by a cross-functional team. The Onboarding course focuses on several themes including: the story of MCPS through the last six decades; the values of MCPS and our commitment to the community; the opportunities for employee growth within the organization; and our work with equity and excellence with a commitment to continuous improvement.

MCPS also has a system to support teachers who are new to MCPS but who have experience teaching in other systems. These teachers are assigned an experienced MCPS teacher who serves as a mentor. The Consulting Teachers (CT) Team based in OHRD provides one-on-one coaching and support to all teachers new to teaching. During the past eleven years, consulting teachers have served 5,517 novice teachers, of which 85.5 percent (4,717) met standard, 14.5 percent (800) did not meet standard. Consulting Teachers have also served 313 experienced teachers, of which 36.4 percent (114) met standard and 63.6 percent (199) did not meet standard and were identified as underperforming teachers.

Studying Skillful Teaching classes that are taught by the members of the Skillful Teaching and Leading Team provide teachers with research-based strategies and instruction. Through successful completion of these 36-hour courses, teachers greatly enhance their instructional quality, motivation of students, and intervention for struggling children. During the 2010–2011 school year, 482 teachers completed Studying Skillful Teaching I and II. Over the past four years, 1,159 teachers have completed the courses.

The National Board for Professional Teaching Standards (NBPTS) advances the quality of teaching and learning by offering a voluntary job-embedded certification process for what highly accomplished educators should know and be able to do. With approximately 600 National Board Certified teachers (NBCT) overall, Montgomery County far surpasses all other counties in Maryland with more than twice the number of NBCTs than the next closest district. Montgomery County ranks eighth nationwide for the number of National Board Certified teachers in 2010 and 12th nationwide for cumulative total of National Board Certified educators.

Research has shown that highly skilled administrators have a positive effect on student achievement. MCPS has constructed a nationally-recognized model for developing school leaders. During the 2010–2011 school year, 25 novice principals, including six acting principals and three principals new to a school level, were supported by consulting principals. All met standard in their performance appraisals. In addition, 271 administrators and teacher leaders successfully completed coursework in Observing and Analyzing Teaching I and II. Over the past four years, more than 1,112 system leaders have completed these classes.

MCPS has over 8,000 supporting services employees who make a positive difference in student learning through a variety of roles. Professional Growth Consultants (PGCs) in OHRD provide coaching and guidance to supporting services staff that has been identified as not meeting the competencies outlined in the Supporting Services Professional Growth System. Recent efforts to build the capacity of support professionals include numerous technology trainings, professional development for 10-month employees, and the Workplace English project.

Building the Capacity of Schools, Offices, and Teams to lead for excellence and equity

The Professional Learning Communities Institute (PLCI) provides ongoing training and support for school leadership teams including administrators, teachers, supporting services staff, and parents. As of December 2011, 38 elementary schools and 15 middle schools will have completed the PLCI program. Another 18 schools will participate in PLCI during 2011–2012. PLCI schools have seen increases in the numbers of students in all grade levels and in all racial groups who score advanced or proficient on the reading and math Maryland School Assessments.

The Equity Initiatives Unit works directly with schools and offices to promote equity and close the achievement gap. The Equity Initiatives Unit continues to focus on: 1) building leadership staff capacity to lead for equity, 2) deepening capacity of OHRD staff to explicitly infuse equity content and processes into all professional development programs and projects, and 3) providing direct services, consultation, and resources to support school-based and central services study and dialogue about the impact of race and ethnicity on teaching and learning.

Recognition

MCPS places a high value on recognizing employees throughout the organizations. OHRD coordinates the recognition of the Teacher of the Year, *The Washington Post* Agnes Meyer Award for Outstanding Teaching, and the Shirley J. Lowrie “Thank You For Teaching” Award awarded to an exemplary elementary school teacher.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Shared Accountability

Montgomery County Public Schools (MCPS) is committed to core values that guide our work, one of which is continuous improvement. The use of data to drive continuous improvement is deeply embedded into the culture and processes in MCPS.

In 1999, the district set out to develop a system of shared accountability at all levels to promote equity and excellence and ensure college readiness. In establishing this system of shared accountability, district leadership focused on systemwide results, equity in student performance, and resource management. Principals focused on school performance and engagement, as well as the overall school climate. At the classroom level, teachers set out to accelerate the achievement of individual students. The Office of Shared Accountability (OSA) was created to support these efforts.

Internal research and program evaluation are a vital component of a self-renewing organization. The applied researchers, psychometricians, and program evaluators in OSA produce data that is used by schools, offices, and executive leadership to study and refine practices, programs, and initiatives. The applied research conducted in OSA aims to explain factors that influence academic outcomes. Trend and gap analyses are used to measure the attainment of data points that monitor milestones of success. This internal research arm has laid the foundation for many of the structures and tools that guide improvement efforts, including the Seven Keys to College Readiness, the strategic targets, prediction models, and the Honors, Advanced Placement Identification Tool (HAPIT).

Also essential to a culture of continuous improvement is data about the efficacy of programs and initiatives. The program evaluators, within the OSA Evaluation Unit design and conduct comprehensive implementation and outcome studies of MCPS programs and initiatives aligned with the strategic plan to support the management of resources. These studies influence budget and staffing decisions and provide accountability for the effectiveness of programs and services. Findings from program evaluations and the resulting recommendations play a critical role in program refinement.

More than 220 publications by OSA are currently available on the OSA Reports Navigator, accessible through the MCPS website at the following link: <http://sharedaccountability.mcpsmd.org/reports/list.php>. In addition to applied research and program evaluation reports, this website includes reports detailing stakeholder survey results and student performance on strategic data points.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Enrollment

The Montgomery County Public Schools (MCPS) FY 2013 Operating Budget will increase by \$14,138,252 because of enrollment changes. Enrollment growth impacts most aspects of the operating budget, such as requirements for instructional staffing, instructional materials (textbooks and supplies), other school-based supporting services, and new and expanded school facilities. Below are details of the reasons for the increase.

Enrollment Projections –

- Official enrollment for the 2011-12 school year is 146,505 students. This is an increase of 2,441 students from FY 2011, and 204 less than what was projected and budgeted for in the FY 2012 Operating Budget.
- Enrollment is projected to be 148,958 students in FY 2013, which is 2,453 more than this year, and 2,249 more than the total of 146,709 budgeted for in the FY 2012 Operating Budget.
- The main reasons for higher enrollment in FY 2013 include:
 - Higher numbers of resident births since 2000, now arriving in elementary schools
 - A reduction in out migration of households from Montgomery County
 - Increased in-migration of households due to the relatively better economy here
 - Increased enrollment into MCPS from county private schools
- Elementary school enrollment is projected to increase next year. The projection for Grades K-5 enrollment in FY 2013 is 68,066, up 1,731 from this year's actual enrollment of 66,335. Kindergarten enrollment topped 11,000 this year for the first time at 11,421 and is projected to be 11,450 next year.
- Secondary school enrollment is projected to increase in FY 2013, but not by as much as elementary school enrollment. Grades 6–8 enrollment is projected at 31,476, an increase of 199 from this year's actual enrollment of 31,277. Grades 9–12 enrollment is projected at 45,463, an increase of 201 from this year's actual enrollment of 45,262.
- In the coming six years increases in elementary school enrollments will begin to move up to middle schools, and will hit high schools shortly thereafter. Significant total enrollment increases will occur over the six-year forecast period. By FY 2018, MCPS is projected to have 156,020 students enrolled, 9,515 more than this year.

Costs Related to Enrollment Changes

Budget calculations are based on changes in projected enrollment. Staffing allocations to schools based on enrollment projections are zero-based each year. Ratios of staff to students approved each year by the Board of Education as part of the Operating Budget Request are

applied to projected enrollment at each school as the basis of initial staffing allocations. Individual school allocations may be modified by the Office of School Performance before classes begin if individual school needs suggest different staffing levels.

Actual enrollment was **204 students less than budgeted** in FY 2012. Offsetting these students, an increase of **2,453 students** is projected for FY 2013, for a net total of 2,249 students above the budgeted level for FY 2012.

- Total costs related to enrollment growth will increase by \$14,138,252.
- This fall there are 308 more students in Grades K-5 than were projected. The projection of 1,881 additional Grades K-5 students in FY 2013, results in a cumulative increase of 2,189 students from what is budgeted for in FY 2012 to what is projected for FY 2013. This number of additional students requires an additional 127.1 classroom teacher positions and 5.875 lunch hour aide positions at a total cost of \$8,550,659.
- This fall there are 37 more students in Grades 6-8 than were projected and budgeted for. The projection of 73 fewer middle school students in FY 2012 results in a decrease of 36 students from what was budgeted for in FY 2012 to what is projected for FY 2013. This number of fewer students requires 1.6 fewer classroom teacher positions at a total savings of \$104,718.
- This fall there are 227 fewer students in Grades 9-12 than were projected and budgeted for. The projection of 167 more high school students in FY 2013 results in a net decrease of 60 students from what was budgeted for the FY 2012 to what is projected for FY 2013. This number of fewer students requires 0.1 fewer classroom teacher positions at a total savings of \$6,546.
- This fall there are 278 fewer students in special education prekindergarten programs and special program centers. There are 50 fewer students in the Gateway to College program.
- This fall there is a projected increase of 550 ESOL students, for a total of 19,200. This number of projected additional students requires 12.2 additional classroom teacher positions at a total cost of \$830,689.
- Growth in special education requires the addition of 7.0 classroom teacher positions, 6.0 speech pathologists, 6.6 occupational and physical therapist positions, and 40.9 paraeducator positions, at a total cost of \$2,986,984. Special education students are now included in the total count of students by grade level. Costs for instructional materials for additional special education students total \$189,000. An increase in the number of students expected to require non-public placement increases the budget for tuition payments by \$768,335. The total cost for enrollment growth in special education is \$3,944,319.
- There are other costs related to enrollment changes such as \$171,272 for substitutes, \$108,109 for textbooks, \$28,135 for media centers, and \$201,555 for instructional materials. Transportation costs due to enrollment are not included in the budget request.
- Employee benefits costs related to enrollment changes result in a net increase of \$2,020,463, which is included in the detailed amounts above.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

New Schools

The Montgomery County Public Schools (MCPS) FY 2013 Operating Budget will increase by a net of \$1,818,369, reflecting the effects of opening new school space. Below are details of the reasons for the decrease.

- The budgetary impact of new schools is a result of the combination of positions added to a school because of the school building itself and one-time start-up costs.
- Costs associated with the opening of new schools rather than enrollment growth include building administrators, reading teachers, staff development teachers, building service workers, secretaries, and other positions. New school costs also include utilities, media and instructional materials, custodial supplies, equipment, food services, and other non-personnel costs.
- One-time costs come out of the budget in the year after the building opens or a grade is added. As a result, the incremental impact of new schools in any single year may be either an increase or decrease.
- One new elementary school will open in FY 2013, Downcounty Consortium Elementary School #29. The one-time costs for the new school add a 1.0 assistant principal position, 4.0 teacher level positions, and 2.625 support professional positions at a cost of \$572,196. There is an addition of a 1.0 special education resource teacher position at a cost of \$70,008. There are other costs totaling \$549,935 related to the opening of the new school for textbooks, media center materials, and other materials.
- The increase of costs related to the addition of 144,000 square feet at several school buildings totals 7.5 building services positions and \$322,223. Additional costs for building services supplies related to the additional space are \$18,817 and utilities costs are \$285,190, for a total of \$626,230.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Continuing Salaries

Continuing salaries and related employee benefits will increase the FY 2013 Operating Budget by \$8,622,577. Continuing salary costs are tied to the negotiated agreements. They include annual salary increments for eligible employees, adjusted by savings for expected employee lapse and turnover and by other adjustments, including changes in the salary base. Employee pay is based on salary schedules, published as part of the operating budget, for each pay grade and step. As employees increase their experience, they reach higher steps on the salary schedule. In addition, teacher salaries depend on educational levels. Salaries for supporting services employees depend on the number of hours worked in addition to their years of service.

Changes in employee salaries are determined by negotiated agreements with three employee organizations:

- Montgomery County Education Association (MCEA) representing teachers and other professional employees
- SEIU Local 500 representing supporting services employees
- Montgomery County Association of Administrators and Principals/Montgomery County Business and Operations Administrators (MCAAP/MCBOA) representing administrators and non-certificated supervisory employees
- In FY 2013, employees will receive step and longevity salary increases and related employee benefits totaling \$35.0 million. Increases include scheduled annual increments for employees with satisfactory service who are still progressing along salary schedules and for teachers who accumulate sufficient graduate credits to move to a higher salary schedule lane.
- Included in net continuing salary costs are other salary adjustments required by negotiated agreements and savings for lapse (savings resulting from short-term vacancies) and turnover (savings from replacing a senior employee with a lower-paid junior employee) based on historical experience. All other adjustments, including salary base changes due to FY 2012 savings, total a net reduction for FY 2013 of \$26.4 million, for a total continuing salaries increase of \$8.6 million. The budget also includes \$8.0 million to offset costs of future negotiated agreements with employee unions.
- Continuing salaries increase the total budget by 0.4 percent and the budget for salaries and wages by 0.6 percent. The increase required for continuing salaries is lower than for most previous years partly because the high number of retirements during FY 2011 increased turnover savings above budgeted estimates.
- Budgeted salary costs for FY 2013 assume that all new employees will be hired at the budgeted new-hire rate for their position, including BA4 for regular education teachers and BA6 for special education teachers.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Employee Benefits

The Montgomery County Public Schools (MCPS) FY 2013 Operating Budget includes \$497.4 million to provide employee benefits and insurance (24 percent of the total operating budget). This includes an increase of \$15,110,163 (3.1 percent) for existing employees and retirees. Health and life insurance coverage for current active and retired employees and their families are provided through the Employee Benefit Plan (EBP). Other employee benefits include retirement, social security (FICA), worker's compensation and other self-insurance, and tuition reimbursement.

Health and Life Insurance

- Joint negotiations with employee unions have resulted in a series of health care plan design changes, including higher co-pays for some plans, changes in pharmaceutical access, and new plan administration.
- The projected budget increase assumes a 6.6 percent health care cost increase trend in FY 2013. This rate is nearly twice the expected rate of inflation. The projection reflects the net of inflationary cost increases and the positive effects of cost containment initiatives and cooperation with other county agencies, including rebidding contracts with third party administrators.
- The budget for health and life insurance for active employees will increase by \$12,089,488. Active employees pay an average of 9 percent of plan expenses, although this varies by plan.
- The budget for retiree health care costs will increase by \$1,152,066. Retirees pay 36 percent of plan costs.

Other Employee Benefits

The cost of other employee benefits is expected to increase by \$1.8 million in FY 2013.

- The cost for current retirement programs will increase by \$2,519,230 based on 5.42 percent of salary. Investment gains and losses in the retirement fund are smoothed over five years. Thus, some past losses have not yet been fully realized, and there will be a gradual recognition of significant gains and losses.
- Self-insurance costs for worker's compensation will decrease by \$768,528 in FY 2013, a decrease of 6.2 percent. MCPS participates in an inter-agency risk management fund.

- Other employee benefits are projected to increase by a net of \$117,907 in FY 2013, primarily reflecting projected changes in social security contributions for continuing salary costs and changes to the maximum wage base. Potential changes in federal taxes for social security affect only employee contributions.

Retiree Health Benefits

In FY 2012, Montgomery County established a combined Retiree Health Trust Fund for Other Post-Employment Benefits (OPEB) to pre-fund retiree health benefits. In FY 2012, the Montgomery County Council made \$20.0 million in contributions on behalf of MCPS. Current plans call for FY 2013 OPEB contributions for the sixth year of the eight-year phase-in period of approximately \$78 million on behalf of MCPS. Consequently, OPEB contributions are no longer included in the MCPS operating budget. The MCPS operating budget will continue to include “Paygo” contributions for current retiree health obligations. The FY 2013 payment will total \$49.3 million.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Inflation and Other Cost Changes

Miscellaneous changes and cost increases resulting from inflation to maintain the same level of services increase the Montgomery County Public Schools (MCPS) FY 2013 Operating Budget by \$1,857,488 (0.1 percent of the approved budget). The operating budget also includes \$8,005,428 available to offset costs resulting from the forthcoming completion of negotiated agreements between the Board of Education and its three employee unions. The amount required for negotiated costs is not known at this time, but is expected to be determined by the time the Board adopts its FY 2013 Operating Budget Request. These projected increases are largely offset by a total of \$8,131,932 in budget efficiencies and other reductions. Below are details of the reasons for the increases.

- As the region's economy has begun to recover from the recession, inflation in the Washington metropolitan area has increased to about 3.3 percent so far in 2011 compared to 1.7 percent in 2010. Inflationary increases are calculated for most budgeted items other than salaries, and increases for major items that have specific rates different from general inflation rates are calculated separately. These include such items as utilities, diesel fuel, bus parts, tuition costs for students with disabilities who are in private placements, textbooks, and instructional materials.
- Increased costs due to inflation total \$767,160, primarily related to inflation for textbooks and instructional materials, based on the 3 percent inflation rate for textbooks and other instructional materials. With the exception of \$129,636 for maintenance supplies, no increase for inflation is requested.
- MCPS has continued to make savings in utilities costs due to energy conservation measures and savings from rebidding electricity contracts. In FY 2011, utilities costs decreased by \$5.5 million. In FY 2012, increases in the county Energy Tax resulted in higher costs of electricity and other utilities that totaled \$2.3 million. In FY 2013, the cost of utilities is expected to decrease by \$3,665,243 due to savings in electricity and natural gas costs.
- Higher costs resulting from expected rate increases for non-public placement for special education students are \$732,887. Such rate increases must be approved by the Maryland State Department of Education. Other miscellaneous changes related to various program needs in special education are a net increase of \$472,566.
- Higher costs for replacement of 109 school buses that have reached the end of their permitted use (\$362,237) and higher costs estimated at \$3.55 per gallon for diesel bus fuel (\$1,706,814), and other transportation supplies (\$253,069), total \$2,322,520
- Costs for facilities maintenance will increase by \$573,000 for maintenance and relocatable classrooms.
- Other increased costs that affect the tax-supported budget (\$654,276) include changes in expenditures related to decreases of grant revenue offset by increases for other obligations.

Other Changes

- **AVID** - There is an increase of \$100,000 to begin middle school implementation of the Advancement Via Individual Determination (AVID) program. The AVID program is a college readiness system that is designed to increase schoolwide learning and performance. The AVID system accelerates student learning, uses research-based methods of effective instruction, provides meaningful and motivational professional development, and acts as a catalyst for systemic reform and change. Already implemented in three high schools, the AVID program will be expanded to middle schools beginning in FY 2013.
- **Hours-Based Staffing for Special Education** - There is an increase of 1.2 teacher positions and 2.2 paraeducator positions and \$170,589 to expand hours-based staffing to additional middle schools. Currently, 31 middle schools have hours-based staffing. Seven middle schools are not yet included. The goal is to implement hours-based staffing at all middle schools within three years. Hours-based staffing tailors staffing allocations to fit the service requirements included in a special education student's Individualized Education Plan (IEP).
- **Professional Development** - There is an increase of a 1.0 executive leadership position and \$200,026 to coordinate professional development programs. The assignment of this position and its duties will be further defined during FY 2012.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Local Revenue and Maintenance of Effort

Montgomery County Public Schools receives 66 percent of its total revenue from local county contribution. The state Maintenance of Effort (MOE) law requires each county to appropriate local funds equal to the highest local appropriation per pupil for the previous fiscal year, that is, to provide sufficient local tax dollars at least equal to the same amount in the previous fiscal year for each student. The purposes of the requirement are to stimulate local support of education and prevent a county from reducing its own contribution when the state increases the amount of aid to a school district. This prevents a county from using the increased state aid for a different purpose than education. If a county fails to provide sufficient revenue, the local school board may be denied any increase in basic state aid to education.

- After exceeding the minimum MOE requirement for many years, Montgomery County has fallen short of the minimum requirement since FY 2010, for a total shortfall of \$345 million. This shortfall reduced the per pupil local contribution from \$11,249 in FY 2009 to \$9,759 in FY 2012, a per pupil reduction of \$1,490. Because the county did not receive a waiver of the requirement by the Maryland State Board of Education, the MOE law allows future contributions at the reduced level, called “rebasing.” This has permanently reduced the requirement for local support of schools.
- As enrollment changes, MOE may increase or decrease to maintain the same dollars per pupil in local funds. For FY 2013, the required local contribution is \$9,759 per pupil.
- The Maintenance of Effort requirement for FY 2013 is \$1.392 billion in local tax contribution, an increase over FY 2012 of \$22.2 million.
- If the county had received a waiver for FY 2012 and the MOE requirement for FY 2013 had thus remained at the FY 2011 per pupil amount of \$10,244, the minimum county contribution would be \$1.462 billion, an increase over FY 2012 of \$91.4 million, which is \$69 million more than now is required.
- Because the MOE formula covers only enrollment changes, the MOE amount is not sufficient to meet even basic inflationary cost increases. Those cost increases not covered by MOE include higher prices for textbooks and materials, changes in employee compensation, higher costs for health care and other employee benefits, cost increases for bus fuel, or higher costs for electricity and other utilities.
- In FY 2012, Montgomery County provides 65.7 percent of MCPS total resources, the lowest percentage of county revenue in the district’s history. This percentage has decreased for several years as state aid has increased. In FY 2012, the county reduced its contribution by \$45.0 million, despite an increase of 3,400 students.

- If state or federal aid increases, that does not change the required local contribution. In FY 2012, state aid exceeded the FY 2011 budget by \$71.2 million.
- Because of the availability of additional state and federal aid and because of the county's difficult fiscal situation resulting from the national economic recession, the Montgomery County Board of Education supported the County's request for a waiver of the MOE requirement in FY 2010, FY 2011, and FY 2012.
- In May 2009, the Maryland State Board of Education denied the county's request for an MOE waiver. The county then decided to appropriate within the MCPS budget sufficient funds to meet the MOE requirement totaling \$79.5 million by requiring MCPS to reimburse the county for debt service on school construction bonds.
- In November 2009, the state attorney general ruled that this use of debt service does not meet the MOE requirement because it involves an artificial transfer of expenditure from the county to the Board of Education budget. The State Board of Education found that Montgomery County had violated maintenance of local effort and penalized MCPS \$23.4 million in the loss of increased state aid to which it was entitled. In 2010, the General Assembly eliminated the penalty.
- In April 2010, the Board of Education again joined the county in requesting a waiver. This time, the State Board granted the waiver of \$138.9 million, calling the potential penalty of \$41 million unfair to the school system.
- In March 2011, the Board of Education again joined the county to request a waiver, but the county withdrew the request. As a result, MCPS faces a \$26.2 million penalty of the loss of increased state aid to be assessed in FY 2013.
- MCPS is working closely with county leaders and state legislators to waive the FY 2013 penalty. The superintendent's recommended operating budget assumes that the potential penalty will not be assessed.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

State Revenue

Montgomery County Public Schools (MCPS) currently receives 27 percent of its operating budget revenue from the state of Maryland. Below are details of major state revenue issues facing MCPS in FY 2013.

- In FY 2012, MCPS received \$559.8 million in state revenue, an increase of \$71.2 million from the original FY 2011 budget. State revenue comprises 26.8 percent of total revenue. In FY 2012, the state funded \$31.3 million of mandated state aid with state revenue, replacing federal funds temporarily available through economic stimulus assistance that expired after FY 2011.
- FY 2008 was the final year of implementation of increased state funding through the six-year *Bridge to Excellence in Public Schools Act* (BTE). The BTE recognized that the state has an obligation to provide adequate support to all students, to improve the equity of the distribution of state aid to districts with fewer local resources, and to assure accountability for the use of state funds through improved student achievement. Through FY 2012, state aid has increased by \$367 million above the amount before the BTE Act.
- After FY 2008, districts were scheduled to receive formula increases only for inflation and higher enrollment. The 2010 session of the General Assembly delayed the inflationary adjustment required by the BTE until FY 2013, and limited it to a maximum of 1 percent through FY 2015.
- The General Assembly provided full funding of the Geographic Cost of Education Index (GCEI), which recognizes the higher cost of education in some districts. GCEI funds are not mandated state aid and there is no guarantee that GCEI funding will be available in FY 2013. When federal stimulus aid terminated after FY 2011, the GCEI was fully funded with state revenue.
- The Maryland State Department of Education has not yet issued preliminary estimates of state aid for FY 2013. Based on preliminary information about enrollment and wealth, however, MCPS expects to receive an increase of approximately \$23.9 million. MCPS expects an increase of approximately \$14 million based on enrollment increases and \$10 million from other elements of state aid formulas. Preliminary state estimates are anticipated in January 2012.
- However, the state of Maryland faces a potential \$1.0 billion structural deficit in FY 2013. In 2011, the state legislature introduced a new administrative fee for pension management charged to local school boards. In FY 2012, the cost of the fee for Montgomery County is \$2.8 million. A state commission appointed to study solutions to issues of benefits costs recommended that part of the total retirement costs should gradually be shifted to local school boards. The legislature may consider this recommendation during the 2012 legislative session.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Federal Grants

The Montgomery County Public Schools (MCPS) FY 2013 Operating Budget includes federal revenue of \$64.5 million (3.0 percent of the total), a reduction of \$5.6 million. Below are details of major federal revenue issues facing MCPS in FY 2013.

- The FY 2012 operating budget includes \$70.1 million (3.4 percent of its budget) from the federal government, a decrease of \$48.9 million from the FY 2011 operating budget. Most federal grants through the *American Recovery and Reinvestment Act (ARRA)* terminated after FY 2011.
- MCPS receives federal aid mainly through categorical grants that must be used for specifically designated purposes. The only exception is Impact Aid received as a reimbursement for the extra expenditures resulting from the attendance of children of certain federal employees. In FY 2012, MCPS expects to receive \$245,000 in federal Impact Aid.
- Major federal categorical grants include Title I to provide support for poor children, Title II-A to improve teacher quality, Title III (Limited English Proficiency) for English language learners, Head Start, Vocational Education, and the *Individuals with Disabilities Education Act (IDEA)* for special education students.
- In FY 2010, MCPS received a major increase in federal aid through the ARRA, the federal economic stimulus legislation. These funds are provided for two years through September 30, 2011. Although appropriated as a single multi-year grant, the ARRA funds were designated by Maryland to be used primarily as formula grants in nearly even amounts during FY 2010 and FY 2011. ARRA grants totaling \$53 million terminated in FY 2012.
- MCPS also received ARRA funds in FY 2011 through competitive grants, including \$5.0 million through the Investing in Innovation (I3) grant in conjunction with private and community partners for project NorthStar to advance work on the Elementary Integrated Curriculum project. This grant continues through FY 2014.
- MCPS received \$4.4 million for FY 2012 in federal revenue through the Education Jobs Fund (EJF) approved by the U. S. Congress in 2010 to provide support to states for education. These funds were available for the FY 2012 Operating Budget, but terminate after FY 2012. Expenditures for school-based employee benefits of this grant must be assumed with local revenue in FY 2013.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Public Engagement and the Operating Budget

The Montgomery County Board of Education has strengthened public engagement in the development of the Montgomery County Public Schools (MCPS) Operating Budget. MCPS has implemented new methods to expand public participation. Feedback received from this process has influenced the proposals included in the FY 2013 Operating Budget and in the presentation of budget publications. Below are details of the public engagement process.

- For the past eight years, the Board of Education has held public community forums in the fall to provide feedback on the progress of the MCPS strategic plan and how the budget can be better aligned with the strategic goals of the school system.
- On October 12, 2011, and October 27, 2011, the Board held Community Conversations at Northwood High School in Wheaton and Watkins Mill High School in Gaithersburg respectively. The Board's goal was to hear from the community ideas on how to improve the school system and incorporate these ideas in the strategic planning process. The Board felt that using the conversations format this year would allow community members to engage in deeper discussions of key issues.
- In addition, MCPS is receiving ongoing feedback online and through feedback cards in multiple languages that have been distributed to parents and community organizations.
- The Board asked three key questions:
 1. What do you value most MCPS?
 2. How do we continue our commitment to equity and excellence in a challenging fiscal climate?
 3. What information would be helpful to you? What information do you need to know about the budget and budget process to strengthen your advocacy?
- Community members who participated thought that the community conversations are an innovative approach that fostered sharing of ideas.
- Main interests identified in the conversations include:
 - Make sure that all students achieve, regardless of demographics
 - Provide a healthy and safe environment for all students
 - Focus on programs that prepare students for the future by providing multiple paths for college and career
 - Continue to invest in professional growth
 - Maintain commitment to equitable distribution of resources to our schools

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Budget Transparency and Publications

The Montgomery County Public Schools publishes and posts on its website a variety of publications that involve different ways of looking at the operating budget. Together, these documents enable citizens to understand how MCPS resources are used and what is recommended in the operating budget. MCPS is continually trying to improve the transparency of these budget documents. To save printing and postage costs, the publication of paper documents has been considerably reduced, but all budget documents are available on the MCPS website at www.montgomeryschoolsmd.org/departments/budget/.

Following are details of the information available on the MCPS operating budget.

- *Our Call to Action: Pursuit of Excellence* – The MCPS strategic plan, approved by the Board of Education, includes detailed multi-year strategies and initiatives implemented through the operating budget.
- *Program Budget* – The *Program Budget* summarizes the operating budget in more than 100 major programs across departments and offices. The *Program Budget* references strategies and initiatives in the strategic plan and ensures that all strategies and initiatives are identified by program.
- *Recommended Operating Budget* – The *Superintendent's Recommended Operating Budget*, often called the management budget, shows budget resources as a summary and by office, department and other units. The *Program Budget* includes references to the units that carry out each program.
- *Budget in Brief* – The *Budget in Brief* describes major budget issues in brief as an introduction to the operating budget. It includes details of proposals included in the recommended budget. It also includes important summary statistical information about the operating budget.
- *Personnel Complement* – The *Personnel Complement* includes a detailed listing of all positions requested in the budget. Both the *Program Budget* and the *Recommended Operating Budget* include personnel complements organized by program and unit respectively.
- *Schools at a Glance* – The *Schools at a Glance* annual publication shows a variety of information for each school, including programs from the *Program Budget* that are implemented at each school and personnel allocated to each school. A separate document, *Special Education at a Glance*, is published to show special education resources at each school.

Montgomery County Public Schools

FY 2013 OPERATING BUDGET

Audit

The Montgomery County Public Schools (MCPS) receives many regular financial and operational audits. These audits ensure financial and operational accountability to the public. Below are details of some of the regular audits.

Board of Education Oversight

- State of Maryland law, Section 5-109 of the Education Article, requires all school districts to commission an annual external audit of financial transactions by an independent certified public accountant. MCPS uses the firm of Clifton and Gunderson (CG). Neither CG nor its predecessors have identified any material weaknesses or noncompliance with internal controls.
- MCPS issues an annual financial report, the Comprehensive Annual Financial Report (CAFR). This report has repeatedly received an Excellence in Financial Reporting Award from the Government Financial Officers Association (GFOA) and from the Association of School Business Officials (ASBO).
- Board of Education Policy DAA, Fiscal Responsibility and Control, requires the superintendent of schools to maintain strict financial controls consistent with the laws and regulations of Maryland and provisions of the charter and laws of Montgomery County.
- The Board of Education Fiscal Management Committee meets regularly with staff to review audit findings and provide financial oversight. The Fiscal Management Committee reviews the reports of the system's actuary and external auditor.

County Audits

- The county Office of Legislative Oversight (OLO) has conducted comprehensive budget reviews of MCPS programs, including food services, student transportation, special education, school plant operations and compliance with environmental regulations, organizational development programs, recycling, high school consortia, and employee benefits administration.
- The county Office of Inspector General conducted an analysis of the MCPS budget and related financial information.

State of Maryland Audits

- The Maryland State Department of Education (MSDE) reviews MCPS activities and financial reports every two years. MSDE audits a variety of issues, including enrollment, program administration, special education, teacher certification, criminal background checks of teachers, and grants monitoring for the two-year period.
- Senate Bill 323 requires that the state Office of Legislative Audit (OLA) conduct a comprehensive financial and operational audit of each local school system to evaluate the effectiveness of the financial management practices at least once every six years. The audit report published January 15, 2009, found that MCPS has “procedures and controls in place to ensure the safeguarding of assets and the efficient use of financial resources.” The report made useful recommendations for process improvements in business operations, including accounting, internal controls, technology, and facilities operations.
- The Public School Construction Program (PSCP) office of the Interagency Committee on School Construction (IAC) audits the use of state construction funds provided to all Maryland school systems every three years. The examination is made in accordance with the Public School Laws of Maryland and the regulations for the administration of the PSCP, and includes tests of accounting and construction procedures. There were no material findings published in the May 18, 2010, report of MCPS.

Federal Audits

- The federal government regularly provides mandated A-133 single audits of federal grant programs. The frequency of these audits has greatly increased in recent years. In 2011, the Inspector General of the Department of Education conducted a review of MCPS job creation and administration of federal grants under the *American Recovery and Reinvestment Act (ARRA)*. Federal audit results of MCPS grants have not included any material adverse findings.

Internal Audit

- The MCPS Internal Audit Unit (IAU) conducts financial and program audits of MCPS program as well as school independent activity funds (IAF). This unit also monitors the external audit contract and is responsible for ensuring implementation of external audit recommendations.

Budget in Brief

Fiscal Year 2013 Operating Budget Timeline

Board of Education Strategic Planning and Budget Community Conversation	October 12, 2011 October 27, 2011
Superintendent's Recommended Operating Budget	December 7, 2011
Sign-up begins for Board of Education public hearings	December 21/28, 2011
Board of Education public hearings	January 11 & 18, 2012
Board of Education budget work sessions	January 25 & 26, 2012
Board of Education action	February 14, 2012
Board of Education budget transmittal to County Executive/County Council	March 1, 2012
County Executive recommendations presented to County Council	March 15, 2012
County Council budget hearings	April 2012
County Council budget action	May 24, 2012
Final Board of Education action to approve FY 2013 Operating Budget	June 14, 2012

Operating Budget Documents

Montgomery County Public Schools publishes and posts on its website a variety of publications that involve different ways of looking at the operating budget. Together, these documents enable citizens to understand how MCPS resources are used and what is recommended in the Operating Budget. MCPS is continually trying to improve the transparency of these budget documents. Below are details of the information available on the MCPS Operating Budget.

Call to Action: Pursuit of Excellence – The MCPS strategic plan, approved by the Board of Education, includes detailed multiyear strategies and initiatives implemented through the operating budget.

Program Budget – Summarizes the operating budget in more than 100 major programs across departments and offices. The Program Budget references strategies and initiatives in the strategic plan and ensures that all strategies and initiatives are identified by program.

Recommended Operating Budget – Shows budget resources by office, department, and other units. It includes references to the units that carry out each program, describes in detail the work of each unit, shows all budget changes, and includes performance measures for each operating unit, a glossary of budget terms, an index of all items, and a section describing how to understand the budget. Often called the management budget.

Budget in Brief – Provides detailed summary information on budget totals and changes proposed in the Superintendent's Recommended Operating Budget.

Personnel Complement – Provides a detailed listing of all positions requested in the budget. Both the Program Budget and the Recommended Operating Budget include personnel complements organized by program and unit, respectively.

Budgeted Staffing Guidelines – The Recommended Operating Budget includes budgeted staffing guidelines for regular education and special education. These guidelines govern the allocation of personnel resources by school and special education disability.

Schools at a Glance – Provides a variety of information for each school, including programs from the Program Budget that are implemented at each school and personnel expenditures budgeted for each school. A separate document, Special Education at a Glance, is published to show special education resources at each school.

All of these publications are available on the MCPS website at www.montgomeryschoolsmd.org/departments/budget/



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