

Legislative Budget Analysis
Proposed FY 2023 Operating and Capital Budgets
Office of the County Auditor
Baltimore County, Maryland
HEARING DATE: May 18, 2022



Department of Education — Operating Budget

Superintendent: Dr. Darryl Williams

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Questions to BCPS Sent	April 29, 2022
Responses Received	May 6, 2022
Analysis considers all responses.	

BALTIMORE COUNTY
FISCAL YEAR 2023 BUDGET ANALYSIS

DEPARTMENT OF EDUCATION (035)

BUDGET SUMMARY

\$ in Thousands

PROPOSED CHANGE	GENERAL	SPECIAL	TOTAL	% Change Prior Year
FY 2022 - 2023 Change	\$ 115,336.1	\$ 86,728.0	\$ 202,064.1	9.8%

BUDGET TRENDS

FY 2021 Actual	\$ 926,057.4 ⁽¹⁾	\$ 880,136.3 ⁽²⁾	\$ 1,806,193.7	
FY 2022 Approp.	961,078.8	1,091,304.0	2,052,382.8	13.6%
FY 2023 Request	1,076,414.9	1,178,032.0	2,254,446.9	9.8%
FY 2023 Budget Analysis	1,076,414.9	1,178,032.0	2,254,446.9	9.8%

Potential Reductions	TBD	\$ -	TBD
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⁽¹⁾ Reflects County General Funds provided to BCPS.

⁽²⁾ FY 2021 General Fund and Special Fund split adjusted for expenditures not reflected in Executive's budget documents.

PERSONNEL

PROPOSED CHANGE	ALL FUNDS FULL-TIME EQUIVALENT POSITIONS
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FY 2022- 2023 Change	579
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BUDGET TRENDS

FY 2021 Actual	15,904
FY 2022 Approp.	15,907
FY 2023 Request	16,486
FY 2022 Budget Analysis	16,486

POTENTIAL REDUCTIONS	0
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VACANCY DATA

Positions Vacant as of May 3, 2022*	946
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* Provided by BCPS. Excludes Food & Nutrition Services (Program 3513) and Federal & Restricted Programs (Program 3518).

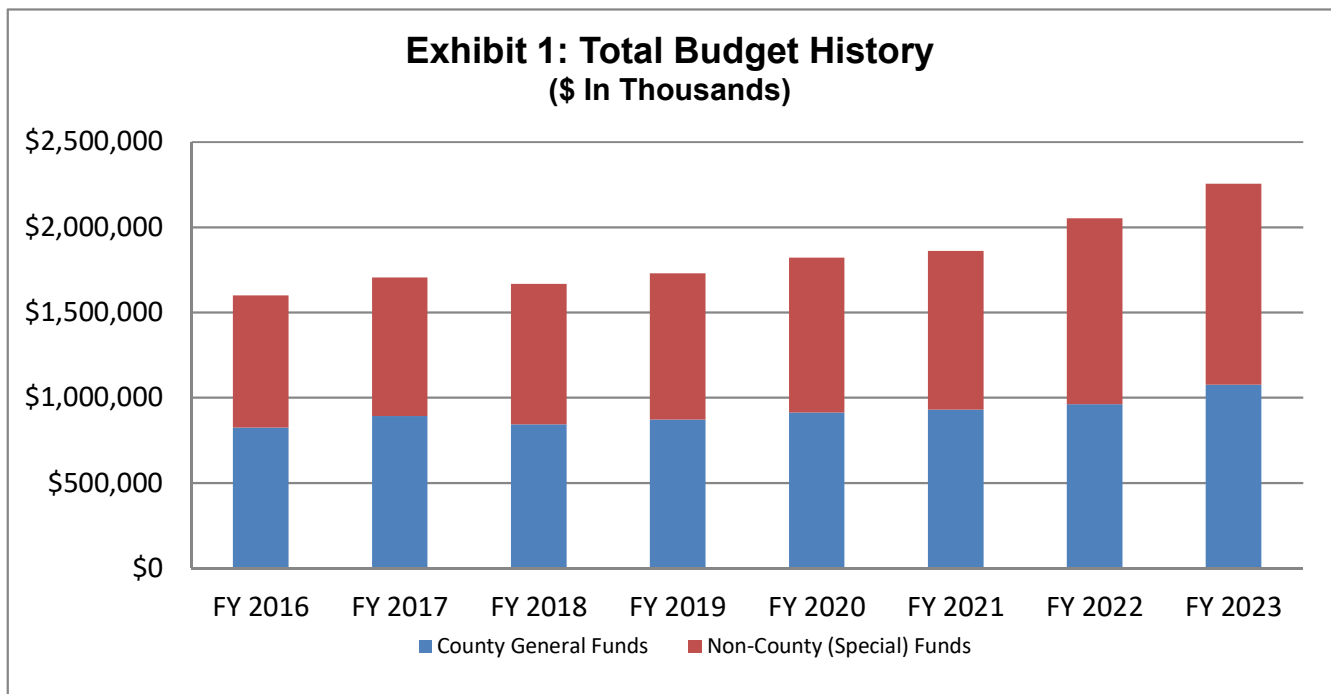
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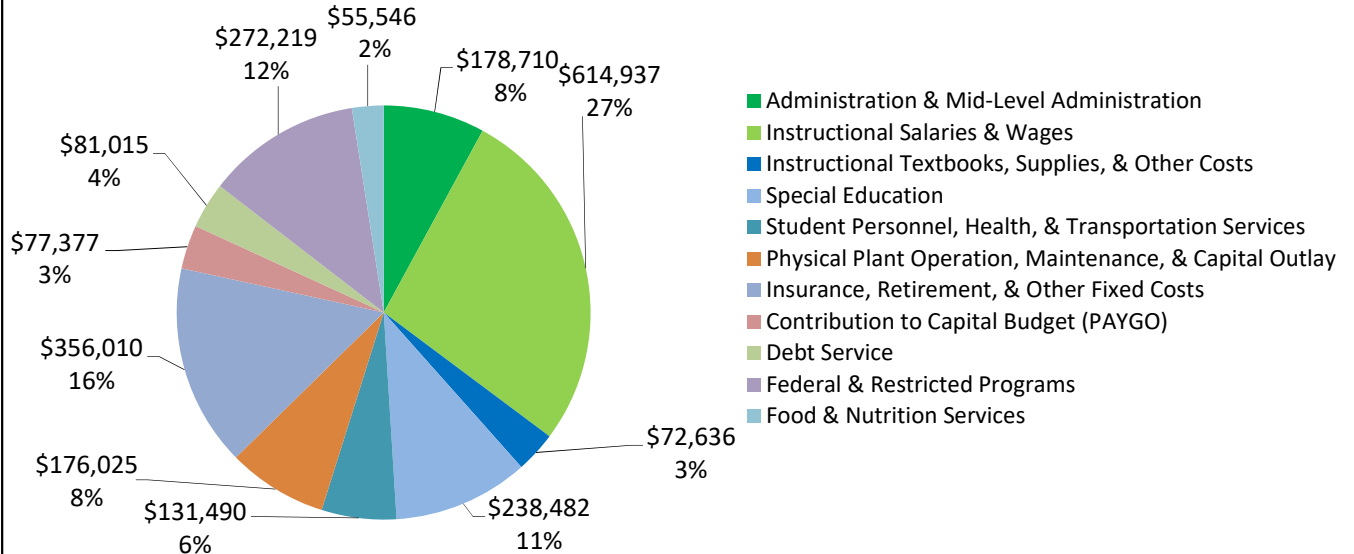
OPERATING BUDGET SUMMARY:

The County's proposed FY 2023 budget for the Baltimore County Public Schools (BCPS) totals approximately \$2.3 billion and reflects an increase of approximately \$202.1 million, or 9.8%, over the FY 2022 budget. The General Fund portion of the County's budget totals approximately \$1.1 billion and increases by approximately \$115.3 million, or 12.0%. The increase is driven by PAYGO contributions to the Capital Budget (\$77.4 million one-time cost) and personnel-related funding, including salaries and 133.8 net new positions (\$76.7 million ongoing cost increase). After accounting for increases in PAYGO (\$77.4 million) and debt service funding (\$9.2 million), new County funding increases by \$28.7 million, or 3.2%, which is the amount by which the proposed budget exceeds the State's Maintenance of Effort (MOE) requirement. The Special Fund, or non-County portion of the budget, totals \$1.2 billion and increases by \$86.7 million, or 7.9%, driven primarily by increases in State aid. Additionally, the proposed budget relies on the use of \$31.3 million of BCPS's fund balance, which BCPS projects will total \$47.5 million at the end of FY 2022 (after an additional transfer of \$25 million to the County for capital projects). BCPS projects that system-wide enrollment will increase by 3,061 students, or 2.8%, to 114,181 for SY 2022-2023 after increasing by only 36 students, or 0.03%, to 111,120 students in SY 2021-2022; enrollment remains below its SY 2019-2020 peak of 115,038 students. **See Exhibits 1 through 4** for additional details and Exhibit C for the MOE calculation.

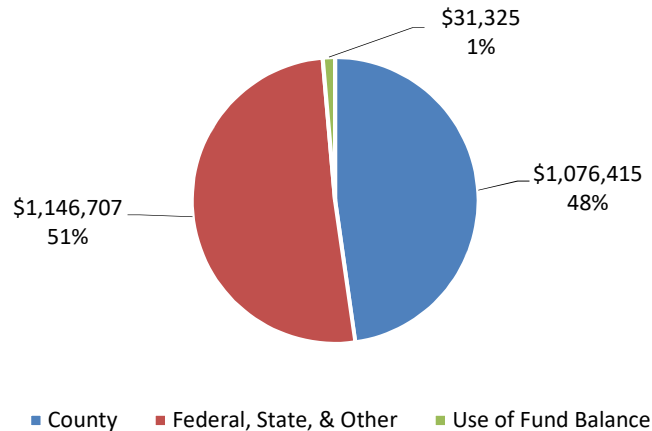


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**Exhibit 2a: Total FY 2023 Budget
\$2,254,447 (\$ In Thousands)**



**Exhibit 2b: Total FY 2023 Budget Funding Sources
\$2,254,447 (\$ In Thousands)**



DEPARTMENT OF EDUCATION (035)

Exhibit 3 FY 2023 Proposed Budget (\$ in 000's)

How Much it Grows:	General Fund (excl. PAYGO & Debt Svc.)	PAYGO & Debt Svc.	Total General Fund	Special Fund	Total
FY 2022 Appropriation	\$ 889,312	\$ 71,767	\$ 961,079	\$ 1,091,304	\$ 2,052,383
FY 2023 Request	918,023	158,392	1,076,415	1,178,032	2,254,447
\$ Increase	\$ 28,711	\$ 86,625	\$ 115,336	\$ 86,728	\$ 202,064
% Increase	3.2%	120.7%	12.0%	7.9%	9.8%

Where it Goes (Amounts Shown Reflect Increases or Decreases in Budgeted Funding):

Personnel Expenses.....	\$ 62,546
Increments & longevities.....	18,137
3% COLA effective January 1, 2023	15,679
2% COLA effective January 1, 2022 (FY 2023 effect).....	8,648
Net increase in BCPS General Fund positions (see Exhibit 4 for details).....	6,406
Employee compensation restructuring (i.e., bus drivers and attendants, AFSCME).....	5,018
Extended day support (compensation for long term substitutes and lunchroom assistants for the additional 15 min.).....	3,426
Increased pay rates (i.e., teacher/nurse/bus driver/admin. subs.; kinder. assist.; paid helpers; lunch assist.; addl. assist.).....	2,927
Mandatory minimum wage increase (to \$13.25 per hour on January 1, 2023).....	1,295
Teacher National Certification stipend.....	596
Compensation for school nurses (i.e., responsibility factor based on enroll.; 2 addl. days of work prior to school year).....	277
Other salary adjustments.....	137
Personnel-Related Expenses.....	14,135
Employee health, dental, vision, and life insurance.....	5,360
OPEB (retiree health and life insurance).....	5,000
FICA.....	4,589
County retirement system (employer contributions).....	524
Workers' compensation.....	502
Retirement credits (amt. charged to grants for State pension/reflected as Gen. Fund credit; increasing due to ESSER).....	(1,840)
One-Time Expenses.....	1
Archiving and scanning services for construction documents and drawings.....	525
Moving services and start-up costs for Redhouse Run Elementary School	401
Two vans to contain/transport safety equip. for bus driver/attendant training and troubleshooting of equip. at all bus lots.....	125
FY 2022 one-time expenses.....	(1,050)

(continued on next page)

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Exh. 3 continued

Operating Expenses.....	14,774
Contractual bus services.....	2,036
Special education-related costs (i.e., nonpublic placements and settlements)	2,030
Kelly Services contract to manage substitute hiring, payroll, and administration.....	2,000
College and Career Ready initiatives.....	1,802
Software license fees (e.g., financial system)	1,799
Telecommunications (e.g., increased bandwidth, telephone maintenance).....	1,663
New IT security software.....	1,543
Prekindergarten-related costs	1,505
Custodial supplies.....	902
Lease/purchase of buses and trucks.....	867
Flooring replacements at Hebbville and West Towson Elementary Schools (MOE exclusion denied).....	800
Utilities (gas, electric, fuel oil, water, sewer).....	675
Replacement vehicles and lifts for Transportation Department	650
Insurance: property/casualty, liability/fidelity, vehicle.....	564
Textbooks/consumable materials/digital subscriptions.....	396
Diesel and gas.....	329
Managed print services.....	269
Board of Education increases for training and contracted services	256
Out-of-County living arrangements.....	200
Consumable math materials in Spanish for English Learner Programs	200
Energy performance contract payment.....	196
Trash removal.....	194
Rent for various leased sites.....	190
School Resource Officer conference.....	156
School-based per pupil funding based on enrollment.....	(341)
General maintenance (e.g., lockers, auditorium seating, classroom furniture) and security.....	(450)
Digital Initiative (e.g., Chromebook savings, increased tech. support costs, lease buyouts).....	(5,961)
Other costs.....	304
Enterprise Fund	
Food & Nutrition Services	5,269
Restricted Grant Expenses	
Federal and Restricted Grants Program.....	18,714
Contribution to Capital Budget.....	77,377
Debt Service.....	9,248
Total.....	\$ 202,064

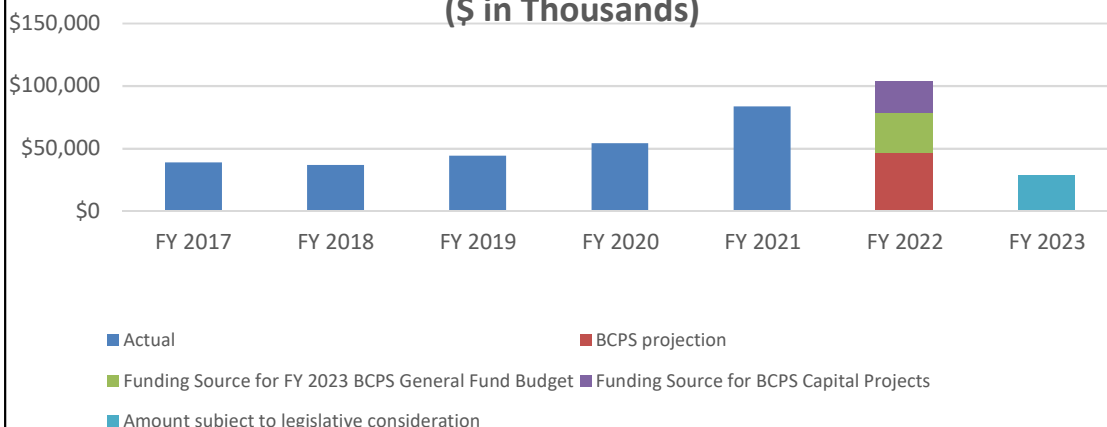
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Exhibit 4 FY 2023 Net Increase in BCPS General Fund Positions (\$ In Thousands)

Salary Cost

166.8 New Positions	
44.0 English Language Learner Program positions (incl. 40 teachers)	\$2,502
33.0 School counseling positions (including 1 support specialist)	1,964
23.8 Positions for the new Northeast elementary school	1,243
22.0 Special education positions	1,131
12.0 Assistant principals and support staff for schools w/increased enroll. ..	916
12.0 Health services positions (11 school-based assist. and 1 supervisor)...	452
11.0 School social worker positions (incl. 1 supervisor)	634
4.0 Facilities construction/Built to Learn project mgmt. positions	386
2.0 Positions for the Judy Center expansion	240
1.0 Facilities school support specialist position	83
1.0 Student activity coordinator	78
1.0 Teacher for Watershed Charter School	56
 (33.0) Deleted positions	
(9.0) Positions due to Cabinet restructuring.....	(1,444)
(24.0) Blueprint positions transferred to Special Fund.....	(1,835)
 133.8 Net Increase in General Fund Positions	\$6,406

Exhibit 5: BCPS Year-End General Fund Balance and Amount Subject to FY 2023 Legislative Consideration (\$ in Thousands)



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POTENTIAL BUDGET REDUCTIONS:

The proposed FY 2023 budget for BCPS exceeds the State's maintenance of effort (MOE) requirement by \$28.7 million. This additional County funding is proposed alongside historically high levels of federal and State aid (see discussion topic #1), as well as far-greater-than-anticipated budget savings due to vacancies and staff turnover (see discussion topic #2). Such favorable fiscal circumstances provide the school system with a unique opportunity to make investments in staff and other resources to benefit student learning. Specifically, the influx of federal funding, totaling more than \$364 million over several years, allows BCPS to afford initiatives including the 15-minute extended instructional day (\$36.6 million), compensatory education/recovery services (\$40.3 million), and the Virtual Learning Program (\$14.2 million) in FY 2023. Together with a State aid increase of approximately \$56 million and the use of \$31.3 million of BCPS's fund balance (accumulated mainly due to salary savings) in FY 2023, the proposed additional County funding enables BCPS to afford: step (\$18.1 million) and COLA (\$24.3 million) increases, salary restructurings (\$9.3 million) (e.g., bus drivers and attendants, AFSCME, minimum wage increase), and increased employee and retiree benefit costs (\$14.1 million). At the same time, the current high level of vacancies poses pressing challenges to recruit and retain qualified employees – from teachers, to bus drivers, to facility maintenance staff – and, as federal stimulus funds run their course over the next several years, the school system will rely more heavily upon a sustained County and State commitment. **Because increasing the County's ongoing commitment to education is better achieved gradually rather than when falling from a "fiscal cliff," this analysis notes that budget reductions are viable (not to exceed \$28.7 million), but should only be considered carefully and with full awareness of the pressing staffing challenges that the school system faces.**

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TOPICS FOR DISCUSSION

1. Federal and State Funding

The proposed FY 2023 budget includes historic amounts of federal and State funding. The federal funding largely derives from non-recurring stimulus awards, which are somewhat restricted in use and will likely expire by FY 2026 (depending on whether extensions on use of funds are obtained), whereas the enhancements to State aid, largely attributable to the Blueprint for Maryland's Future legislation, are ongoing and mostly unrestricted in use (with some exceptions).

Federal Stimulus Funding

BCPS expects to receive, for use over several fiscal years, \$364.7 million in various stimulus funding, as follows:

Grant	Amount
ARP/ESSER III	\$217,192,601
CARES/ESSER II	96,638,621
CARES/ESSER I	23,741,773
CARES Technology	12,649,182
CARES Tutoring	12,400,974
CARES GEER I Technology	1,288,489
CARES GEER I Urban & Rural Broadband	750,000
	\$364,661,640

The FY 2022 budget included approximately \$134.8 million in federal pandemic-related funding: \$72.3 million in American Rescue Plan (ARP)/ESSER III funding, \$52.8 million in federal CARES/ESSER II funding, and \$9.7 million in CARES/ESSER I funding. Since then, BCPS has revised its FY 2022 planned spending to \$129.9 million and changed some of the planned uses of funds. For example, BCPS had planned to utilize \$6.9 million in CARES/ESSER II funding to provide 122.3 teacher FTE for enrollment recovery; this funding was reallocated because enrollment did not rebound as expected, and there were vacant teaching positions.

During last year's budget process, plans for the ARP/ESSER III funds were not available; BCPS advised that among other initiatives, it is planning to use FY 2022 funding to provide for the 15 minute extended school day, provide the staff retention bonus, pay for Virtual Academy teachers/staff, fund 75.0 FTE 12-month elementary school IEP chairs, and provide 78.0 FTE teachers to reduce classroom size. BCPS advised that the proposed FY 2023 budget includes approximately \$119.4 million in federal pandemic-related funding: \$77.3 million in ARP/ESSER III funding and \$40.5 million in

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CARES/ESSER II funding. Significant planned uses include funding for compensatory services, fringe benefits, Virtual Academy teachers/staff, and the 15 minute extended school day. The schedule on the following page, provided by BCPS, represents BCPS's planned use of funding (as of May 13, 2022):¹

Reliance on grants to fund ongoing costs could create General Fund pressures in future fiscal years when such grant funds are no longer available. For example, BCPS advised that costs for the 15 minute extended day and the community eligibility meal program (CEP) will need to be funded post-ESSER; however, costs related to the IEP FTEs, virtual learning program (should it continue), counselors, social workers, nurses, health assistants, and teachers to reduce classroom size could be absorbed into existing vacancies. Note that the cost of the extended instructional day in FY 2023 is roughly the cost of the FY 2023 increments/longevities and mid-year 3% COLA.

State Aid Increase

The proposed FY 2023 BCPS budget includes a State aid increase of \$55.9 million, largely due to the positive impact of the Blueprint legislation. The increased funding flows directly to BCPS's General Fund, meaning that its use is unrestricted.

BCPS should be prepared to discuss:

- ***How its planned uses of federal stimulus funding have changed; and***
- ***Its plans to transition grant-funded expenses to the General Fund.***

¹ BCPS advised that if FY 2023 expenditures exceed the FY 2023 budgeted funding, it will utilize reserve funding for the difference.

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Baltimore County Public Schools (BCPS) Multi-Year ESSER Projections										
CRF - Tutoring										
Initiative	FTE	FY2020	FTE	FY2021	FTE	FY2022	FTE	FY2023	FTE	FY2024
Wages		\$4,956,753								
Instructional Materials		\$7,444,221								
Total		\$12,400,974								
CRF - Technology										
Initiative	FTE	FY2020	FTE	FY2021	FTE	FY2022	FTE	FY2023	FTE	FY2024
Devices & Related Support		\$11,273,500								
Contract Services		\$1,375,682								
Total		\$12,649,182								
ESSER I										
Initiative	FTE	FY2020	FTE	FY2021	FTE	FY2022	FTE	FY2023	FTE	FY2024
Food and Nutrition Services		\$4,495,840		\$6,000,000		\$3,059,646				
Equitable Services for Nonpublic Schools				\$2,203,124		\$464,356				
Remote instructional salaries, supplies, materials and equipment				\$4,373,303		\$69,696				
CTE instructional supplies and materials				\$362,817		\$0				
Administrative support and benefits				\$0		\$87,700				
Student Health Services support and benefits				\$9,411		\$379,588				
Facilities Reconfigurations				\$727,014		\$311,024				
Student Health Services - PPE				\$732,254		\$0				
Contact Tracing				\$145,916		\$320,084				
Total		\$4,495,840		\$14,553,839		\$4,692,094				
ESSER II										
Initiative	FTE	FY2020	FTE	FY2021	FTE	FY2022	FTE	FY2023	FTE	FY2024
Teachers for enrollment recovery					0	\$0		\$0		
Extended instructional day of 15 minutes, incl. school administrators						\$31,134,224		\$32,658,935		
Accelerated achievement - face to face						\$1,767,466		\$0		
Summer virtual program						\$0				
CEP						\$0		\$2,643,500		
Fringe benefits						\$10,047,505		\$4,932,717		
Indirect costs of administration						\$900,000		\$300,000		
PPE-Supplies and materials for staff and student (New- Added 3/2022)						\$2,714,567				
HVAC Improvements (Contracted Services & Supplies) (New- Added 3/2022)						\$9,539,707				
Total					0	\$56,103,469		\$40,535,152		
ESSER III										
Initiative	FTE	FY2020	FTE	FY2021	FTE	FY2022	FTE	FY2023	FTE	FY2024
Compensatory Special Education Services (Contracted Services)						\$50,000		\$15,880,000		
Compensatory Special Education Services (Stipends & Support Staff)						\$2,000,000		\$24,423,593		
10 Month IEP Chairs					0.0	\$0	0.0	\$0		
12 Month IEP Chairs - ES					75.0	\$6,412,875	75.0	\$6,605,261		
Virtual Academy Enrollment 7.0 Administrators, 192.4 Teachers, 2.0 Secretaries, 6.0 LT Subs, 3 paras)					210.4	\$10,743,500	198.4	\$13,870,473		
Virtual Academy - rental and/or space modifications for staff						\$0				
Virtual Academy Teacher Supplies						\$254,835		\$95,563		
Virtual Academy Student Supplies - Elementary						\$278,185		\$105,407		
Virtual Academy Student Supplies - Secondary						\$534,945		\$200,605		
Extended instructional day SY2023-2024 (131.5 paras all yrs)					131.5	\$3,821,476	131.5	\$3,936,120	131.5	\$35,287,912
Counselors, social workers, nurses, health assistant*					35.6	\$2,211,964	35.6	\$2,278,323	35.6	\$2,346,672
PPE-Supplies and materials for staff and student						\$790,000				
Contact tracing-contracted services						\$168,000				
Vaccine promotion stipends for school nurses						\$96,000				
Teachers to reduce classroom size					78.0	\$5,700,318	78.0	\$5,871,328		
School-based learning acceleration initiative tutoring stipends/supplies/transportation								\$0		
HVAC								6,000,000		\$0
Fringe benefits						\$15,751,973		14,974,778		\$6,686,830
Retention Bonus Stipend (New- Added 3/2022)						\$16,899,422				
149 Contractual (not FTEs) Para/Student Support/Safety Asst & PD (New- Added 3/2022)								\$4,519,436		
Health Wellness FTE (New- Added 3/2022)							0.5	\$43,322	0.5	43,322
Subtotal					530.5	\$65,713,493	518.5	\$98,804,209	167.1	\$44,364,736
Indirect Administrative Costs, 4.04%						\$3,395,376		\$2,881,826		\$2,032,961
Total					530.5	\$69,108,869	518.5	\$101,686,035	167.1	\$46,397,697
* 18.0 counselors. 5.0 social workers. 10.0 health assistants. 2.0 float nurses. 0.6 nurse for ESOL bus										

* 18.0 counselors, 5.0 social workers, 10.0 health assistants, 2.0 float nurses, 0.6 nurse for ESOL bus

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2. Personnel

The proposed FY 2023 budget includes significant increases in BCPS salary-related expenses, including:

- \$24.3 million for employee Cost of Living Adjustments (3% COLA effective January 1, 2023 and the FY 2023 effect of the 2% COLA effective January 1, 2022);
- \$18.1 million for increments and longevities;
- \$5.0 million to maintain the \$2 per hour increase for bus drivers/attendants and provide for the AFSCME (e.g., grounds and buildings workers) salary restructuring;
- \$3.4 million to compensate long-term substitutes and lunchroom assistants for the 15 minute school day extension;
- \$2.9 million for increased pay rates for substitutes (i.e., teacher (from \$15.39 to \$16.16 per hour for daily substitutes and \$21.43 to \$22.50 per hour for long-term substitutes), nurse, bus driver, administrator) and for kindergarten assistants, paid helpers, additional assistants, and lunchroom assistants (to increase to \$14 per hour); and
- \$1.3 million related to the mandatory minimum wage increase to \$13.25 per hour on January 1, 2023. (BCPS advised that it is researching whether there will be additional funding available to follow suit with the \$15 per hour minimum wage that the County will implement in FY 2023.)

Teacher Salary Restructuring

BCPS advised that the Blueprint for Maryland's Future requires that first-year teachers with a Bachelor's degree will earn a starting salary of \$60,000 by FY 2027. In August 2021, BCPS presented a plan to the Board of Education to work toward implementing this requirement as part of an overall teacher salary scale restructuring plan developed in conjunction with TABCO; the 5-year plan would have reduced the number of steps on the scale from 30 to 25 in order to maximize career earnings and also would have equalized step increments.

Public Works LLC's September 2021 Operational Efficiency Review noted that "BCPS is challenged by a considerable turnover rate of certificated and non-certificated staff, largely due to salaries...The BCPS salary guides for teachers are neither competitive for recruitment...nor for retention...BCPS should address the impact of non-competitive salary issues as part of a plan to assist with retention and recruitment and the low morale pervasive in BCPS...The Baltimore County government and the BCPS Board of Education should develop a strategy to address the teacher salary guide to address inequities and to come into alignment with the law's salary guidance."

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BCPS advised that teacher salary scale restructuring plan was not funded in the proposed FY 2023 budget and will not move forward at this time.

Increase in Positions

The proposed FY 2023 budget adds a net of 133.8 General Fund positions, including 44 English Language Learner positions, 33 school counseling positions, and 11 social worker positions (**see Exhibit 4** for more detail) which provide academic and mental health support for students.

BCPS provided the following information regarding staffing ratios for social workers, psychologists, counselors, and ESOL (there is no national standard professional to student ratio for ESOL):

Staff	National Standard Ratios	BCPS FY21	BCPS FY22	BCPS FY23
School Social Workers	1:250	1:990	1:990	1:943
School Psychologists	1:500	1:1,241	1:1,027	1:1,055
School Counselors	1:250	1:345	1:311	1:291

ESOL Level	Current Student:Teacher Ratio FY22	Proposed Student:Teacher Ratio FY23
Elementary	65:1	54:1
Secondary (6-12)	63:1	50:1

The proposed budget also adds a net of 445 Special Fund positions, including the stimulus-funded positions (e.g., for VLP), resource teachers, community school coordinators, etc.

Alternative Funding Identified for Many Requested Positions

BCPS requested the following General Fund positions that were not included in the proposed FY 2023 budget; however, **BCPS has advised of alternative funding sources for many of these positions**, as follows:

- 113.5 special education positions:
 - Child Find Staff: BCPS advised that a lack of funding for these positions would impact the team's ability to process new referrals and meet compliance deadlines, and that it will attempt to utilize contracted vendors or grant opportunities to fund these positions.

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- Kindergarten Paraeducators: BCPS advised that it will seek grant funding opportunities to fund these positions.
- Positions Needed due to Population Growth: BCPS advised that class sizes and caseloads may increase as a result of a lack of funding.
- High School Transition program for special education students ages 18-21: BCPS advised that it will pilot a scaled-down version of this program.
- 75.0 elementary school IEP chairs: BCPS advised that the positions will continue to be funded via the ESSER III grant.
- 22.0 staff development teachers: BCPS advised it that will not expand this staffing to additional schools.
- 12.0 health services positions: BCPS advised that it will not be able to allocate a full-time health assistant to all secondary schools and will limit the amount of supervisory staff.
- 12.0 positions for alternative schools.
- 10.5 positions for new Northeast elementary: BCPS advised that it will reallocate positions from other sites, potentially leading to increased special education class sizes.
 - 1.0 Staff Development position
 - 1.0 prekindergarten position
 - 0.5 music position
 - 8.0 special education positions
- 9.0 preventative maintenance positions: BCPS advised that it will explore other funding sources.
- 8.5 magnet positions: BCPS advised that it is exploring other options to fund these positions because grant funding is ending.
- Board of Education ombudsman.
- Psychological Services position: BCPS advised that other personnel will assist the Office of Psychological Services with managing fiscal responsibilities.

Vacancies and Recruiting

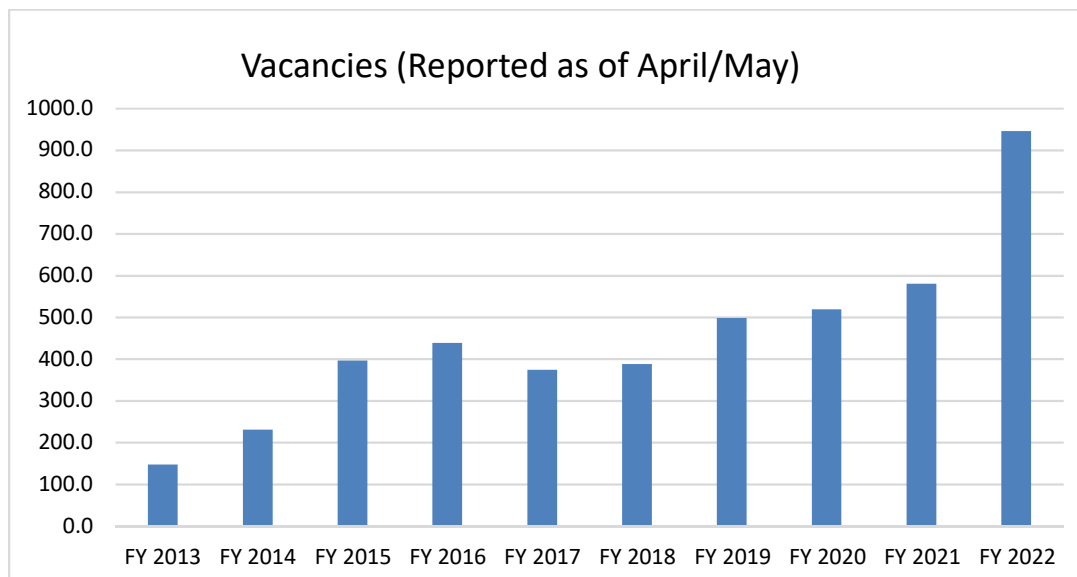
As of May 3, 2022, BCPS reported 946.3 General Fund vacancies. All programmatic areas of the school system are posting vacancies, with the one exception being Student Health, as follows:

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Baltimore County Public Schools				
FY22 OPERATING BUDGET RECONCILIATION				
Summary of Vacancies by Activity				
May 3, 2022				
		Budgeted	Filled	Vacancies
Administration	Activity 0001	317.5	284.9	32.6
Mid-level Administration	Activity 0002	1,119.1	1,100.1	19.0
Instructional Salaries	Activity 0003	7,439.5	7,163.4	276.1
Special Education	Activity 0006	2,288.1	2,180.5	107.6
Student Personnel Svcs	Activity 0007	183.4	175.7	7.7
Student Health	Activity 0008	229.3	232.4	(3.1)
Student Transportation	Activity 0009	1,225.0	929.4	295.6
Operation of Plant	Activity 0010	1,226.4	1,073.6	152.8
Maintenance of Plant	Activity 0011	250.0	198.0	52.0
Capital Outlay	Activity 0015	42.0	36.0	6.0
Total		14,320.3	13,374.0	946.3
Note: Some positions may appear overfilled. This can be due to employees working in a acting capacity or may be offset by vacancies in similar positions.				

Significant vacancies exist in Student Transportation (24.1% of positions), and Maintenance of Plant and Operation of Plant (20.8% and 12.5% of positions, respectively). For example, 29.2% and 22.0% of bus driver and bus attendant positions, respectively, are vacant. BCPS is increasing its reliance on school bus contractors in FY 2023, from 138 to 145 of the 785 total routes. BCPS advised that Facilities Management has an excessive vacancy rate in areas including HVAC technicians, grounds workers, plumbers, and building service workers; it is pursuing alternative sources of funding to be able to contract for these positions.

This vacancy level is unprecedented within BCPS, as shown in the following historical charts:



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Fiscal Year	Vacancies (Reported as of April/May)	Budgeted General Fund Positions	Vacancies as Percentage of GF Positions	Change in GF Positions from Prior Year	Change in Vacancies from Prior Year
FY 2013	147.0	13,202.8	1.1%		
FY 2014	231.2	13,336.2	1.7%	1.0%	57.3%
FY 2015	396.1	13,445.2	2.9%	0.8%	71.3%
FY 2016	438.8	13,571.4	3.2%	0.9%	10.8%
FY 2017	374.1	13,716.7	2.7%	1.1%	-14.7%
FY 2018	387.9	13,855.3	2.8%	1.0%	3.7%
FY 2019	498.7	14,163.8	3.5%	2.2%	28.6%
FY 2020	519.3	14,388.1	3.6%	1.6%	4.1%
FY 2021	580.6	14,463.2	4.0%	0.5%	11.8%
FY 2022	946.3	14,320.3	6.6%	-1.0%	63.0%

BCPS advised that it has implemented various initiatives to fill vacancies and/or improve employee retention:

- To increase teacher diversity, BCPS is continuing to work with local Historically Black Colleges and Universities (HBCUs) (i.e., Morgan State, Coppin State, Bowie State, and Howard Universities and the University of Maryland Eastern Shore). BCPS will also attend job fairs in spring and fall and visit college classrooms and “community chat and chews.” BCPS will also expand efforts into other states, particularly North Carolina, which has the second highest number of HBCUs in the country and the highest enrollment of HBCU undergraduates. BCPS advised that these initiatives are estimated to cost approximately \$35,000 in FY 2023.
- BCPS is planning to continue conversations with TABCO about offering relocation assistance to potential candidates.
- BCPS is planning to increase the number of information/recruitment sessions to address business services vacancies as well as partner with the County’s Department of Economic and Workforce Development.
- BCPS will increase its online presence on social media (Facebook, LinkedIn, Twitter).
- BCPS continues to offer the Grow Our Own program for paraeducators who are interested in pursuing teaching careers. It also offers paid internships for paraeducators who are enrolled in their final semester of a teacher preparation program and provides paid stipends for the teachers who mentor the interns.

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- BCPS offers reimbursement for the costs associated with conditional teachers' PRAXIS exams.

At the May 4, 2022 Board of Education meeting, in his report, the Superintendent stated that he is committed to retaining BCPS's current staff and ensuring BCPS's ability to attract new employees, that he has met with union leaders to address concerns, and that he has asked BCPS's fiscal team to explore options for additional compensation. BCPS advised that the 579 positions added in the proposed FY 2023 budget are necessary for supporting students and maintaining operations, and that it is committed to filling the positions despite ongoing hiring challenges.

Substitute Teacher Contract

The proposed FY 2023 budget includes \$2.0 million for a contract with Kelly Services to manage substitute teacher hiring, payroll, and administration. BCPS advised that because it requested \$3.4 million for this contract, whereas the proposed budget includes \$2.0 million, it is meeting with Kelly Services to align the scope of the contract with the available funding. BCPS advised that the contract will be presented to the Board of Education before the end of the fiscal year.

Turnover Savings

The proposed budget assumes turnover savings of 1.7%, similar to the FY 2022 and FY 2021 budgeted amounts and much lower than BCPS's actual turnover experience of 9.2% in FY 2021 and 6.7% in FY 2022. *For perspective, each percentage point of turnover savings equates to approximately \$12 million.* See Appendix D for details on budgeted and recent turnover savings.

As the most significant area of expenditure within the BCPS budget, the salaries line item is the usual source of funding which reverts to fund balance and/or funds other areas within the budget via BCPS's year-end budget appropriation transfer (BAT) process. **This area of savings within the BCPS budget provides a great deal of operational flexibility, allowing the school system to create an operating plan that differs significantly from the budget plan.** (For example, for FY 2022 and FY 2023, BCPS under-budgeted contractual bus route costs while planning to utilize turnover savings to fund the difference.) The Public Works LLC's 2021 Operational Efficiency Review found that "BCPS should modify its practices of under-estimating staffing vacancies at 2%..." BCPS advised that its current plan is to continue to evaluate the use of turnover savings based on needs.

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BCPS should be prepared to discuss:

- Its historically high level of vacancies, the steps it is taking to fill positions in the most critical areas, and how often it reassesses its approach for effectiveness;***
- The impacts of the different types of vacancies on student learning, including the learning time lost due to late and no-show buses;***
- Current mental health services available to students and long-term plans to increase ESOL, social worker, counselor, and psychologist positions;***
- The benefits of contracting with Kelly Services to manage substitute teacher hiring;***
- The reason for not implementing the Public Works LLC recommendation; and***
- The possible uses for its FY 2022 and FY 2023 turnover savings, including whether it may be planning to implement additional compensation increases and/or other retention/recruitment incentives.***

3. Impact of the Pandemic

Virtual Learning Program

During the current school year, BCPS began offering a virtual learning program (VLP) for K-12 students in which students are enrolled simultaneously in both the VLP and their home schools. BCPS advised that enrollment was projected at 3,300 students as of June 1, 2021, fluctuated but stayed at or above 3,000 students through the second quarter, and decreased to about 2,800 students at the beginning of the fourth quarter. BCPS advised that it is not accepting new enrollments for the program, and it expects enrollment for SY 2022-2023 to be 2,387 students. BCPS advised that it has yet to determine the long-term plans for the program. However, virtual kindergarten will no longer be offered in the upcoming school year (in response to HB 1163).

Student Performance and Learning Supports

BCPS advised that high school students' performance declined in English Language Arts (ELA), math, and overall based on comparing fall 2019 and fall 2021 PSAT scores. BCPS also advised that elementary and middle school students have demonstrated a decline in ELA and math performance based on a comparison of 2020 and 2022 Measures of Academic Progress (MAP) winter assessment results. In response to potential pandemic-related student learning loss, BCPS offered system-wide summer learning programs, both virtually and in-person, in 2021 and plans to do so again in 2022. Summer 2022 programs include Bridge to Kindergarten, Extended Year Learning Program (secondary), ESOL, Extended School Year (special education), Elementary Programs, Math Pioneers (secondary), Early College High School, and Summer Learning Hike (digital asynchronous).

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BCPS should be prepared to discuss:

- ***Factors it will consider when deciding whether to offer the VLP beyond SY 2022-2023 and the timeframe for the decision; and***
- ***How it is addressing the decline in student performance.***

4. School Safety Initiatives* (*see also Capital Budget Analysis for discussion of \$17.0 million in capital budget funding for security vestibules and cameras)

At the Board of Education's April 5, 2022 meeting, the Superintendent shared his plans for enhancing school safety measures. Dr. Williams stated that in addition to holding town hall meetings, supplying the PTSA with tools needed to support schools, and conducting school safety walks, BCPS is participating in a roundtable meeting with 5 neighboring school systems to share ideas related to school safety. He also shared the following "next steps:"

- Grant-funded student safety assistance at the secondary level: As of March 20, 2022, BCPS is piloting the use of security assistance in 20 secondary schools utilizing existing unarmed security vendors whose personnel are already trained, vetted, and experienced working with BCPS at sporting events and other large gatherings. BCPS advised that the 20 schools were selected based on school interest, safety needs determined by calls for support, staff coverage shortages, and requests for support from administrators; BCPS further advised that efforts were made to ensure representation across zones. The selected high schools are Catonsville, Dundalk, Overlea, Parkville, Perry Hall, Woodlawn, Randallstown, Franklin, Lansdowne, Owings Mills, Chesapeake, and Kenwood. The selected middle schools are General John Stricker, Perry Hall, Pine Grove, Deer Park Magnet, Franklin, Lansdowne, Loch Raven Academy, and Dundalk. BCPS stated that contractors will provide roving coverage to the remaining secondary schools and elementary schools as soon as the contractors are able to provide personnel. BCPS advised that the security personnel are intended to be a proactive presence and supplement the existing school teams (including School Resource Officers (SROs)). BCPS further advised that it plans to utilize \$4.5 million in ESSER III funds for the FY 2023 security services and that FY 2022 costs of \$500,000 were funded by underspending elsewhere in the budget.
- Revamping procedures related to communicating bullying/harassment investigations' outcomes: Staff will receive refresher training; BCPS will develop a compliance monitoring tool for school leadership; and forms will be easily accessible and able to be submitted electronically.

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- Enhanced community partnership opportunities: BCPS has reopened schools to volunteers and community partners, and the Office of Family and Community Engagement will be holding a Partnerships Fair to help strengthen existing partnerships and build new ones.
- Public information campaign: BCPS will begin a public information campaign to promote the use of the Maryland Center for School Safety Reporting tip-line; BCPS advised that the campaign will include posters in schools and buses and include information on websites on how to text a tip anonymously. (Information is reported to BCPS for investigation.) BCPS is also updating its school safety website to include links to the Maryland Youth Crisis Line and other resources.

BCPS also advised that all staff will participate in training related to de-escalation; it is revising its bus infraction reporting process to ensure timely responses; it is implementing additional student-focused initiatives (e.g., orientations, mentorships) to emphasize senses of belonging and connection with schools; and that it expects that the additional school counselor and social worker positions will provide more social-emotional supports to students.

The proposed FY 2023 budget for the Police Department includes \$341,052 for four new roving SROs. The Department advised that the additional SROs are needed due to increases in student disciplinary infractions that rise to the level of criminal incidents, as well as increasing numbers of student physical altercations. The Department plans to deploy one SRO to each patrol division (Central, Eastern, and Western) and a floater SRO to Precinct 9, which is the only precinct that currently does not have a floater.

The Board of Education has not approved a contract for school bus cameras. The County Administration advised that it “continues to work with Team BCPS on this effort in hopes of a future contract approval.” BCPS advised that it is continuing to evaluate its next steps.

BCPS should be prepared to discuss:

- ***Whether it has solicited and incorporated feedback from school staff, including classroom teachers, on initiatives that could improve school safety;***
- ***Examples of community partnerships that BCPS is planning to strengthen and/or establish; and***
- ***Plans for funding the security assistance beyond FY 2023.***

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5. Blueprint for Maryland's Future and Maintenance of Effort

BCPS advised that there are several Blueprint requirements affecting BCPS in FY 2023:

- Students who meet the College and Career Readiness Standard will enter an “instructional pathway:” 1) IB Diploma, AP program, or Cambridge AICE Diploma, 2) dual enrollment, enabling the student to earn an associate’s degree, or 3) Career and Technical Education (CTE) program.
- The Concentration of Poverty grant program for community schools provides wraparound services for families in high-poverty areas. Supports could include before- and after-school and summer academic programs, academic enrichment opportunities, student access to needed health and social services, and increased support for English Language Learner and Special Education students. **BCPS will have 38 community schools for the 2022-2023 school year compared to 22 in SY 2021-2022.** (The program phases-in community schools based on level of poverty, beginning with schools with at least 80% poverty in FY 2020 and culminating with 55-60% poverty in FY 2027.)
- School systems are required to offer free preschool and prekindergarten programs, either within public schools or the community, for economically disadvantaged families. Families will be offered a half-day session within BCPS or a full-day session with a private provider who is State-accredited (\$1.5 million included in proposed FY 2023 budget to compensate private providers), if a full-day session is not offered at their neighborhood school. Expansion of full-day prekindergarten is first focused on making full-day prekindergarten available for all four-year-olds from low-income families as half-day slots are being converted into full-day slots and new slots become available. This will occur at the same time as full-day prekindergarten is expanded gradually for three-year-olds from low-income families. The Maryland State Department of Education (MSDE) is requiring school systems to begin the transition between FY 2023 and FY 2025 and expects systems to fully transition between FY 2026 and FY 2030. BCPS currently has five elementary schools with full-day prekindergarten programs and three additional schools will be added for the 2022-2023 school year.

BCPS further advised that MSDE announced a new Blueprint grant opportunity to apply for up to \$330,000 per year to establish new Judy Centers, which are early learning hubs that provide early care and education services. BCPS currently has Judy Centers at Campfield Early Learning Center and Hawthorne Elementary School and advised that it will be applying for funding to add centers at Sandalwood and Featherbed Lane Elementary Schools. The proposed FY 2023 budget adds 2 positions (a facilitator and a parent/family liaison) (\$240,277) to work with staff funded by the grant.

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MOE

HB 1372 addressed the pandemic's impact on student enrollment and funding via changes to the MOE calculation. Prior to the veto override of the Blueprint legislation, the required FY 2022 MOE amount would have been based on the fiscal 2021 local appropriation on a per pupil basis, multiplied by the FTE enrollment count from September 30, 2020 (the current school year). With HB 1300 becoming law, the enrollment count for MOE was modified to use the greater of the September 30 FTE count or the three-year average. HB 1372, which also became law, then clarified that September 30, 2020 enrollment counts should not be used (due the pandemic-induced enrollment decline), thus establishing that FY 2022 MOE calculations should be based on the greater of the September 30, 2019 enrollment count or the three-year average enrollment (2017-2019). HB 1372 also established that for FY 2023, the per-pupil MOE calculation would utilize the FY 2021 local appropriation (instead of FY 2022), and the enrollment calculation would continue to exclude the 2020-2021 school year.

Because SY 2021-2022 enrollment did not rebound as expected (a State-wide phenomenon), including the September 30, 2021 enrollment count in MOE calculations for FY 2023 would result in a lower MOE requirement than FY 2022. For example, utilizing the methodology stipulated in the law established via HB 1372, BCPS's MOE level would have been \$846,579,563 for FY 2023, compared to the FY 2022 MOE level of \$858,281,396 and the County's FY 2022 funding of \$888,261,619.

To address this issue, and essentially ensure that local jurisdictions "flat fund" schools even if a drop in student population may have otherwise allowed a funding reduction, HB 1450 stipulated that the required FY 2023 MOE amount is the greater of the local share of major education aid (e.g., \$714,172,805 as calculated by MSDE for Baltimore County), or the hardcoded specified MOE amount in the legislation (e.g., \$888,261,619 for Baltimore County). Therefore, for FY 2023, BCPS's required MOE amount is \$888,261,619, level with FY 2022 funding. The proposed FY 2023 budget for BCPS exceeds the MOE level by \$28,710,402, or 3.2%.

In addition, the legislation provides that the additional mandated FY 2023 funding is excluded from the base for the purposes of calculating each jurisdiction's FY 2024 MOE amount; the legislation includes a hardcoded exclusion amount for each jurisdiction. For Baltimore County in FY 2024, \$41,682,056 shall be subtracted from the base when calculating MOE. (\$41.7 million is the additional amount the County is required to fund in FY 2023: the difference between the \$888.3 million required level funding amount and the \$846.6 million calculated utilizing the HB 1372 formula.)

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BCPS should be prepared to discuss:

- ***How the new instructional pathways may change the courses offered at the high-school level;***
- ***Options for students who are not enrolled in a pathway;***
- ***Whether and how BCPS partners with the County's Department of Health and Human Services to provide services at community schools;***
- ***The number of community schools expected by FY 2027; and***
- ***Demand for versus availability of prekindergarten sessions.***

6. Facilities

The proposed FY 2023 budget includes the following new funding for facilities-related costs:

- \$525,000 in one-time funding for archiving and scanning services for organizing, cataloging, digitizing, and managing BCPS construction drawings and documents.
- \$385,689 for the salary costs of 4.0 FTE (one supervisor and three project managers) to assist with implementing the volume of capital projects over the next decade. BCPS advised that an additional 11.0 FTE will be needed in the near future.
- \$83,278 for 1.0 FTE school support specialist, which will result in one specialist for each Community Superintendent Zone and reduce the number of supported schools for each specialist from 87 to 58 schools.

BCPS advised that it will also utilize \$6.0 million in ESSER III funding for various HVAC improvements, including replacing some aging systems and upgrading HVAC controls (\$9.5 million in ESSER II funding is planned for this purpose in FY 2022).

BCPS had requested the following additional funding which was not provided in the proposed FY 2023 budget:

- \$6.7 million for contracted maintenance (e.g., plumbing, HVAC retainers), housekeeping, and grounds (e.g., mowing, snow removal, concrete) due to high in-house vacancy rates;
- \$3.8 million (\$3.3 million in non-salary and \$505,733 in salary costs for 9.0 FTE) related to preventative and emergency maintenance (e.g., HVAC, water generator systems, plumbing);
- \$885,132 for replacement air purifier filters;
- \$273,000 for the renewal cost of facilities management maintenance and operations (energy management) software; and

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- \$85,000 for ongoing archiving and scanning services for construction drawings and documents.

BCPS advised that it will explore alternative funding sources to enable it to utilize contracted maintenance. BCPS further advised that the lack of preventative maintenance funding will reduce the frequency and timeliness of preventative maintenance on HVAC equipment, resulting in increased corrective maintenance requests, equipment downtime, and reduced equipment lifespan. BCPS advised that it will attempt to find other funding options for the energy management software and possibly utilize ESSER funding for the air filters.

BCPS should be prepared to discuss its plans to ensure that current facilities are adequately maintained, in light of the fact that BCPS is embarking on an ambitious capital campaign which will add to future maintenance demands.

7. Technology

The proposed FY 2023 budget includes approximately \$72.2 million for BCPS's technology-related costs, including approximately \$31.0 million related to digital devices.

BCPS's S.T.A.T. program began in FY 2014 with a plan to issue teachers and students HP digital learning devices according to a specified rollout schedule and in accordance with a 1:1 student/device ratio (except for kindergarten, which utilized device stations). In FY 2020, BCPS transitioned elementary students to Chromebooks (which have lower lease costs) and also implemented a new student/device ratio of 5:1 in grades K-2; in FY 2021, BCPS transitioned middle school students to Chromebooks. Also in FY 2021, BCPS utilized CARES Technology grant funding to purchase Chromebooks for prekindergarten-grade 2 students to enable a 1:1 student/device ratio (together with the existing Chromebooks under the 5:1 ratio) and provide paraeducators and additional adult assistants with devices. The FY 2023 proposed budget includes \$23.1 million for devices, a decrease of approximately \$6.6 million from FY 2022 related to transitioning high school students from PCs to less expensive Chromebooks. The following schedule illustrates the status of the devices provided by BCPS.

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	Device	Leased/Purchased
Students PK-2	Chromebooks	Purchased
Students 3-8	Chromebooks	Leased
Students 9-12	Chromebooks	Leased
Paraeducators/Addl.		
Adult Assistants	Chromebooks	Purchased
Staff	PCs	Leased

The proposed budget also includes approximately \$1.4 million in related software license fees and approximately \$900,000 for lease buyouts; BCPS advised that it is buying out the high school PC laptops that are coming off lease and will re-purpose these devices to create mobile labs for CTE/fine arts classes that require computing power beyond Chromebooks' capabilities. The proposed FY 2023 budget also includes \$5.6 million (an increase of \$660,000) to maintain current levels of contracted tech support related to the devices. BCPS had requested an additional \$4.9 million for additional technology support contractors in order to decrease work ticket resolution times; however, this funding was not included in the proposed budget.

In regard to the ransomware attack, BCPS advised that the overall BCPS infrastructure is restored and that it continues to work to implement certain new information technology tools. BCPS advised that the proposed FY 2023 budget includes \$1.5 million for additional security software to continue to monitor BCPS devices.

BCPS should be prepared to discuss:

- ***The demand for technology support from students and staff, current ticket resolution times, and whether an adequate supply of loaner devices exists; and***
- ***The status of resolving various payroll and insurance-related issues.***

8. Watershed Public Charter School

Watershed Public Charter School (WPCS), located in Woodlawn, opened in September 2019 for grades K-3, with an additional grade planned to be added each subsequent year, up to the 8th grade. The FY 2022 budget included \$475,000 (\$211,664 in salaries for 4 FTE positions and \$263,336 for benefits and classroom supplies) to add the fifth grade in SY 2021-2022. BCPS advised that Watershed instead added three FTE positions: one resource teacher, one classroom teacher, and one reading specialist. Instead of adding the sixth grade in SY 2022-2023, BCPS advised that WPCS is adding an additional 5th grade class; the proposed FY 2023 budget includes an increase of

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\$118,750 (\$56,050 in salary and \$17,020 in benefits for 1.0 FTE position and \$45,680 for classroom supplies) for this purpose.

BCPS advised that on July 13, 2021, the Board of Education approved extending WPCS's contract to June 30, 2024.

BCPS should be prepared to discuss:

- ***How and why WPCS's long-term plans have changed (i.e., reasons the sixth grade is not being added for SY 2022-2023 and whether it still plans to expand to the eighth grade); and***
- ***WPCS enrollment trends.***

9. Operational Efficiency Review

In September 2021, Public Works, LLC issued an operational efficiency review which identified opportunities for financial and operational improvements within BCPS. BCPS has implemented workgroups to study and provide feedback on the recommendations as well as to propose implementation plans and next steps. The proposed FY 2023 budget includes savings of \$1.7 million (\$1.4 million in salary for 9.0 FTE and \$0.3 million in non-salary costs) related to the Efficiency Review's recommendation to restructure the Superintendent's Cabinet. BCPS advised that a plan to improve staff morale, communication, and stakeholder satisfaction will be presented at the Board of Education's June meeting. BCPS further advised that it is working to address or has addressed recommendations to reduce the number of spare buses in the fleet; investigate potential efficiencies and improved service by collaborating with the County's Office of Information Technology; and deploy a cloud computing strategy.

BCPS should be prepared to discuss:

- ***The status of the work groups' efforts; and***
- ***Changes it anticipates implementing as a result of the operational efficiency review, the timeline for such changes, and associated fiscal impacts.***

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APPROPRIATION DETAIL					
	FY 2021 ACTUAL	FY 2022 APPROP	FY 2023 REQUEST	NET CHANGE	
				AMOUNT	%
3501 Administration					
General Fund	\$ 31,079,833	\$ 30,198,887	\$ 31,499,684	\$ 1,300,797	4.3%
Special Fund	28,112,807	26,742,315	29,174,789	2,432,474	9.1%
Total	59,192,640	56,941,202	60,674,473	3,733,271	6.6%
3502 Mid-Level Administration					
General Fund	56,684,960	59,476,832	61,278,770	1,801,938	3.0%
Special Fund	46,207,641	52,669,099	56,755,974	4,086,875	7.8%
Total	102,892,601	112,145,931	118,034,744	5,888,813	5.3%
3503 Instructional Salaries & Wages					
General Fund	300,177,561	308,398,360	319,249,875	10,851,515	3.5%
Special Fund	258,570,985	273,099,010	295,687,026	22,588,016	8.3%
Total	558,748,546	581,497,370	614,936,901	33,439,531	5.8%
3504 Instructional Textbooks & Supplies					
General Fund	11,147,172	12,326,544	12,179,121	(147,423)	-1.2%
Special Fund	11,996,303	10,915,644	11,280,217	364,573	3.3%
Total	23,143,475	23,242,188	23,459,338	217,150	0.9%
3505 Other Instructional Costs					
General Fund	27,949,811	26,428,143	25,530,774	(897,369)	-3.4%
Special Fund	22,989,913	23,403,172	23,646,427	243,255	1.0%
Total	50,939,724	49,831,315	49,177,201	(654,114)	-1.3%
3506 Special Education					
General Fund	111,957,632	120,124,534	123,810,168	3,685,634	3.1%
Special Fund	104,935,265	106,375,052	114,672,122	8,297,070	7.8%
Total	216,892,897	226,499,586	238,482,290	11,982,704	5.3%
3507 Student Personnel Services					
General Fund	9,113,132	8,970,601	9,500,412	529,811	5.9%
Special Fund	6,171,751	7,943,823	8,799,216	855,393	10.8%
Total	15,284,883	16,914,424	18,299,628	1,385,204	8.2%

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APPROPRIATION DETAIL					
	FY 2021 ACTUAL	FY 2022 APPROP	FY 2023 REQUEST	NET CHANGE	
				AMOUNT	%
3508 Health Services					
General Fund				520,626	5.2%
Special Fund				889,563	10.0%
Total				1,410,189	7.5%
3509 Student Transportation Service					
General Fund				3,232,833	7.2%
Special Fund				4,823,201	12.1%
Total				8,056,034	9.5%
3510 Operation of Plant & Equipment					
General Fund				3,215,434	5.2%
Special Fund				5,477,440	10.1%
Total				8,692,874	7.5%
3511 Maintenance of Plant & Equipment					
General Fund				559,615	2.4%
Special Fund				1,451,778	7.1%
Total				2,011,393	4.6%
3512 Fixed Charges					
General Fund	174,842,552	181,270,720	184,825,672	3,554,952	2.0%
Special Fund	151,011,041	160,522,431	171,184,260	10,661,829	6.6%
Total	325,853,593	341,793,151	356,009,932	14,216,781	4.2%
3515 Capital Outlay					
General Fund	-	2,666,417	3,169,206	502,789	18.9%
Special Fund	4,474,067	2,361,219	2,935,296	574,077	24.3%
Total	4,474,067	5,027,636	6,104,502	1,076,866	21.4%
3518 Federal & Restricted Programs					
General Fund	-	-	-	-	-
Special Fund	118,883,865	253,505,679	272,219,336	18,713,657	7.4%
Total	118,883,865	253,505,679	272,219,336	18,713,657	7.4%
3519 Debt Service - County Bonds					
General Fund	67,871,669 ^(A)	71,767,194	81,015,140	9,247,946	12.9%
3520 Contribution to Capital Budget - Schools					
General Fund	-	-	77,377,000	77,377,000	NA

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FISCAL YEAR 2023 BUDGET ANALYSIS

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APPROPRIATION DETAIL					
	FY 2021 ACTUAL	FY 2022 APPROP	FY 2023 REQUEST	NET CHANGE	
				AMOUNT	%
3513 Food & Nutrition Services (Enterprise Fund)					
Special Fund				5,268,800	10.5%
Grand Total	<u>\$ 1,806,193,688</u>	<u>\$ 2,052,382,765</u>	<u>\$ 2,254,446,864</u>	<u>\$ 202,064,099</u>	<u>9.8%</u>
Funds Recap:					
Total General Fund	\$ 926,057,426 ^(B)	\$ 961,078,813	\$ 1,076,414,911	\$ 115,336,098	12.0%
Total Special Fund	<u>880,136,262</u>	<u>1,091,303,952</u>	<u>1,178,031,953</u>	<u>86,728,001</u>	<u>7.9%</u>
Total All Funds	<u>\$ 1,806,193,688</u> ^(C)			<u>\$ 202,064,099</u>	<u>9.8%</u>

Note: A budget appropriation transfer (BAT) totaling \$32.9 million between BCPS programs is expected to be presented for Council approval on June 6, 2022.

^(A) Adjusted for \$67,871,669 not reflected in the Executive's budget documents.

^(B) Reflects County General Funds provided to BCPS.

^(C) FY 2021 General Fund and Special Fund split adjusted for expenditures not reflected in the Executive's budget documents.

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PERSONNEL DETAIL					
		<u>FY 2021 ACTUAL</u>	<u>FY 2022 APPROP</u>	<u>FY 2023 RECOMM</u>	<u>NET CHANGE</u>
3501	Administration	322	318	309	(9)
3502	Mid-Level Administration	1,116	1,115	1,137	22
3503	Instructional Salaries & Wages	7,606	7,444	7,499	56
3504	Instructional Textbooks & Supplies	0	0	0	0
3505	Other Instructional Costs	0	0	0	0
3506	Special Education	2,244	2,288	2,319	31
3507	Student Personnel Services	195	183	194	10
3508	Health Services	235	229	242	13
3509	Student Transportation Service	1,226	1,225	1,225	0
3510	Operation of Plant & Equipment	1,226	1,226	1,231	5
3511	Maintenance of Plant & Equipment	250	250	253	3
3512	Fixed Charges	0	0	0	0
3513	Food & Nutrition Services	645	650	651	1
3515	Capital Outlay	43	42	46	4
3518	Federal & Restricted Programs	796	936	1,380	444
3519	Debt Service - Co. Bonds	0	0	0	0
3520	Contribution to Capital Budget - Schools	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Total All Funds	<u>15,904</u>	<u>15,907</u>	<u>16,486</u>	<u>579</u> *

*May not foot due to rounding.

BALTIMORE COUNTY
FISCAL YEAR 2023 BUDGET ANALYSIS

DEPARTMENT OF EDUCATION (035)

MAINTENANCE OF EFFORT (M.O.E.)

■ The proposed budget exceeds the M.O.E. requirement by \$28.7 million.

FY 2022 M.O.E. funding:

General Fund Appropriation	\$ 961,078,813
Debt Service-Capital	(71,767,194)
PAYGO	-
One-Time Only Exclusions	<u>(1,050,000)</u>

Required Local Share (per HB 1450)	<u><u>\$ 888,261,619</u></u>
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FY 2023 M.O.E. funding:

Proposed General Fund Appropriation	\$ 1,076,414,911
Debt Service-Capital	(81,015,140)
PAYGO	(77,377,000)
One-Time Only Exclusions	<u>(1,050,750)</u>

Proposed Local Share	<u><u>\$ 916,972,021</u></u>
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Local Share in Excess of Required Local Share	<u><u>\$ 28,710,402</u></u>
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Percent Above M.O.E.	3.23%
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Appendix D: Turnover Analysis

The proposed FY 2023 budget for BCPS (system-wide) includes \$1,182,369,095 for salaries. This amount is reflective of a budgeted turnover rate of 1.7%, based on a \$1,202,706,303 salary budget without budgeted turnover, as shown below and provided by BCPS:

FY23 Proposed Salaries and Turnover				
Activity	Category	Budget + Turnover	Budgeted Turnover	FY23 Proposed
0001	Administration	36,987,778	690,064	36,297,714
0002	Mid Level Admin	120,100,851	1,744,240	118,356,611
0003	Instructional Salaries	661,971,117	12,929,850	649,041,267
0006	Special Ed	196,581,218	3,429,000	193,152,218
0007	Pupil Personnel	18,771,788	-	18,771,788
0008	Health Services	21,371,853	-	21,371,853
0009	Transportation	58,696,312	499,399	58,196,913
0010	Operations	64,728,292	874,789	63,853,503
0011	Maintenance	18,543,114	169,866	18,373,248
0015	Capital Outlay	4,953,980	-	4,953,980
Total		1,202,706,303	20,337,208	1,182,369,095

For FY 2022, the BCPS adjusted budget (system-wide as of February 28, 2022) includes \$1,043,880,487 for salaries. This amount is reflective of a budgeted turnover rate of 1.9% based on a \$1,064,217,695 salary budget without turnover; BCPS is projecting actual turnover of approximately 6.0%, as shown below and provided by BCPS:

FY22 Projected Salaries and Turnover						
Activity	Category	Budget + Turnover	Budgeted Turnover	FY22 Current Budget	Projection as of 2.28.2022	Variance vs. Budget
0001	Administration	36,124,242	691,590	35,432,652	32,576,268	2,856,384
0002	Mid Level Admin	108,562,088	1,609,501	106,952,587	102,354,182	4,598,405
0003	Instructional Salaries	594,259,482	13,591,805	580,667,677	564,436,887	16,230,790
0006	Special Ed	165,197,161	2,980,906	162,216,255	153,430,575	8,785,680
0007	Pupil Personnel	16,638,795		16,638,795	15,780,731	858,064
0008	Health Services	18,257,470		18,257,470	16,769,480	1,487,990
0009	Transportation	49,500,071	470,731	49,029,340	42,847,762	6,181,578
0010	Operations	55,167,725	829,827	54,337,898	53,361,297	976,601
0011	Maintenance	16,164,789	162,848	16,001,941	14,709,998	1,291,943
0015	Capital Outlay	4,345,872		4,345,872	3,782,529	563,343
Total		1,064,217,695	20,337,208	1,043,880,487	1,000,049,707	43,830,780

For the FY 2022 budget, BCPS had provided the schedule below, which reflected budgeted turnover of 1.9%:

FY22 Proposed Salaries and Turnover (\$)				
(Provided by BCPS)				
Activity	Category	Budget + Turnover	Budgeted Turnover	FY22 CE Proposed
0001	Administration	35,710,030	691,590	35,018,440
0002	Mid Level Admin	108,582,867	1,609,501	106,973,366
0003	Instructional Salaries	595,089,175	13,591,805	581,497,370
0006	Special Ed	165,204,797	2,980,906	162,223,891
0007	Pupil Personnel	16,667,942		16,667,942
0008	Health Services	18,260,400		18,260,400
0009	Transportation	51,701,571	470,731	51,230,840
0010	Operations	58,661,125	829,827	57,831,298
0011	Maintenance	17,164,789	162,848	17,001,941
0015	Capital Outlay	4,345,872	-	4,345,872
Total		1,071,388,568	20,337,208	1,051,051,360

Utilizing BCPS's FY 2022 salary projection of \$1,000,049,707, this is reflective of a turnover rate of 6.7%.

Actual FY 2021 experience provided by BCPS is shown below, when budgeted turnover savings represented 2.0% of the salaries budget and actual turnover savings were 6.4% (BCPS advised that this schedule reflects final salaries, post-year-end BAT):

FY21 Salaries and Turnover by Activity						
Activity	Category	Budget + Turnover	Budgeted Turnover	Budget	Actual	Variance vs. Budget
0001	Administration	34,471,886	682,526	33,789,360	33,015,591	773,769
0002	Mid Level Admin	105,415,674	1,549,176	103,866,498	99,122,401	4,744,097
0003	Instructional Salaries	585,615,552	13,857,783	571,757,769	558,748,546	13,009,223
0006	Special Ed	158,233,702	2,843,108	155,390,594	151,199,308	4,191,286
0007	Pupil Personnel	16,715,506	-	16,715,506	15,211,863	1,503,643
0008	Health Services	17,878,889	-	17,878,889	15,966,939	1,911,950
0009	Transportation	48,357,143	451,311	47,905,832	36,001,164	11,904,668
0010	Operations	54,615,923	795,630	53,820,293	48,805,379	5,014,914
0011	Maintenance	16,823,792	157,674	16,666,118	13,391,399	3,274,719
0015	Capital Outlay	4,323,255	-	4,323,255	3,844,478	478,777
		1,042,451,322	20,337,208	1,022,114,114	975,307,067	46,807,047

During the FY 2021 budget analysis process, BCPS provided the following schedule showing the budgeted salaries and 1.9% budgeted turnover:

FY21 Budgeted Salaries and Turnover (Provided by BCPS)				
Activity	Category	Budget + Turnover	Budgeted Turnover	FY21 Budget
0001	Administration	35,520,507	682,526	34,837,981
0002	Mid Level Admin	107,836,673	1,549,176	106,287,497
0003	Instructional Salaries	604,333,809	13,857,783	590,476,026
0006	Special Ed	160,877,470	2,843,108	158,034,362
0007	Pupil Personnel	17,016,499	-	17,016,499
0008	Health Services	18,255,043	-	18,255,043
0009	Transportation	51,082,234	451,311	50,630,923
0010	Operations	57,729,257	795,630	56,933,627
0011	Maintenance	16,895,660	157,674	16,737,986
0015	Capital Outlay	4,366,604	-	4,366,604
Total		1,073,913,756	20,337,208	1,053,576,548

The final FY 2021 salary expenditure of \$975,307,067 is reflective of an actual turnover rate of 9.2% of salaries as originally adopted.