



Business Management Services
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Chief Financial Officer

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FY 2022 Chief Executive Officer's PROPOSED Budget Q & A

Questions from the Board of Education

Budget Work Session – February 2, 2021

Topics:

Division of Academics

Chief of Staff

Division of School Support & Leadership

Prince George's County Public Schools
Business Management Services

FY 2014 Proposed Operating Budget

Questions from the Board of Education Budget Work Session – February 2, 2021	
Academics	
1.	Page 122 – Curriculum & Instruction - Explain the yearly variance in the Contracted Services section.
2.	Page 123 – Curriculum & Instruction - Explain yearly variance of Dues & Subscriptions.
3.	Page 124 – Curriculum & Instruction - Noting Schmidt Environmental Center line. Is there consideration of funding trips in FY 2022 and FY 2023 for the students that missed the 5th grade trip due to COVID-19 closures? Explain \$1.6 million drop in ESOL from FY 2021 proposed cost center budget. The ESOL teacher to student ratio has grown to 1:55. What are the plans to reduce this? What is the outlook for hiring of more teachers?
4.	Page 137 – Special Education - Explain the variances in Restricted: Salaries & Wages – Classroom Teacher, Other Teacher, and Teaching Aide.
Chief of Staff	
5.	Page 98-100 – Compliance & Ethics - Explain the expansion of the Compliance division to Compliance & Ethics. Is this a change in operations, or just a change in title? Explain the reasoning for this expansion. How is ethics defined and who is subject to ethical inquiries from this department?
School Support & Leadership	
6.	How much is set aside for summer school, outdoor learning for summer of 2021?
7.	Is there funding to expand community schools?
8.	This division no longer has an office of Inclusion & Strategic Innovation. This is not new information to the Board but first time showing up in the budget. Have the previous goals for this department now moved to other departments to implement, or all shifted to the Human Resources Division Equity & Excellence department?
9.	Page 267 - Community Schools - Is the new line for Professional Contracted Services the mental health coordinators funded by Blueprint for Maryland's Future?
10.	Page 268 - Community Schools - Explain the variances in Restricted – is this all Blueprint for Maryland's Future Funding?
Miscellaneous	
11.	What is being done to reduce waste from school account budgets?
12.	Is there a consolidated list of all of the early lease payments?
13.	Can you elaborate on the process around the addition of new support/admin staff, as there seems to be new staff added annually to the majority of departments?

Prince George's County Public Schools
Business Management Services
FY 2022 Proposed Operating Budget

Academics

1. **Page 122 – Curriculum & Instruction**

Explain the yearly variance in the Contracted Services section.

The explanation of the yearly variance in Contracted Services is a result of the revalidation of grant/restricted budget estimates based on Grantor approved funding levels.

During the development of the budget, prior year restricted approved funding levels are used to establish the proposed budget. The budgets are revalidated with current actual budget category levels once the grant applications are approved by the funder, which is after July 1. The budgets after revalidation are reflected as estimates during the next year's budget development process.

FY 2022 Proposed = Estimates based on FY 2021 Approved funding levels (pre-validation)

FY 2021 Estimated= FY 2021 Revalidated Approved budget based on Grantor approved funding levels.

In the early stages of budget development, we do not know what the upcoming funding levels are on grant programs and the proposed budget reflects estimates based on prior year grants. Preliminary grant budget estimates are available in the late spring.

2. **Page 123 – Curriculum & Instruction**

Explain yearly variance of Dues & Subscriptions.

The FY 2021 Estimated budget is significantly higher than prior year budgets and the FY 2022 Proposed due the late award of the CARES Act funding in FY 2020. The FY 2021 Proposed budget reflects the reduction of the CARES Act funds.

The explanation of the yearly variance in dues and subscriptions is a result of the revalidation of grant/restricted budget estimates based on Grantor approved funding levels.

During the development of the budget, prior year restricted approved funding levels are used to establish the proposed budget. The budgets are revalidated with current actual budget category levels once the grant applications are approved by the funder, which is after July 1. The budgets after revalidation are reflected as estimates during the next year's budget development process.

FY 2022 Proposed = Estimates based on FY 2021 Approved funding levels (pre-validation)

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In the early stages of budget development, we do not know what the upcoming funding levels are on grant programs and the proposed budget reflects estimates based on prior year grants. Preliminary grant budget estimates are available in the late spring.

3. **Page 124 – Curriculum & Instruction**

a) **Noting Schmidt Environmental Center line. Is there consideration of funding trips in FY 2022 and FY 2023 for the students that missed the 5th grade trip due to COVID-19 closures?**

The Schmidt Center staff has transformed the 5th grade field trip into a full day virtual program so that all current 5th grade students are able to participate during the 2020-2021 school year. Students participate in a virtual experience that features the same components as the face-to-face program: team-building activities, recycling, an animal population survey, campfire mysteries, s'mores math, and an ecosystem challenge. Students do not however participate in an overnight experience.

FY 2014 Proposed Operating Budget

During the virtual experience, teachers serve as “classroom” managers during the program. All instruction is delivered by the Schmidt Center staff or staff from the Alice Ferguson Foundation/Hard Bargain Farms. Teacher professional development and support has been provided relating to requirements for virtual field trips.

b) Explain \$1.6 million drop in ESOL from FY 2021 proposed cost center budget.

The amount listed in the ESOL operating budget includes both unrestricted (general) and restricted (grant) funds. Title III grant funds provided by the federal government decreased due to the number of English Learners enrolled in PGCPs. During FY 2020, there were 29,625 English Learners in the district, and PGCPs received a total of \$3,727,585 in Title III funds. The number of English Learners has decreased to 27,478 during FY 2021, resulting in a decrease in the Title III funds allotted to the district to \$3,421,754.

Overall, the district received \$6 million less in Limited English Proficient (LEP) funds, as indicated on page 28 of the budget book. This decrease in enrollment of English Learners in PGCPs impacts the amount of funding allocated to English Learners in school-based budgets, which is reflected in the ESOL budget.

c) The ESOL teacher to student ratio has grown to 1:55. What are the plans to reduce this? What is the outlook for hiring of more teachers?

The ESOL teacher position is an unlocked position that is purchased using Student-Based Budgeting (SBB) funds. Each school is required to spend a portion of its ESOL funding on ESOL positions. In order to decrease the student-to-teacher ratio, additional funding would need to be allocated through SBB for ESOL.

The ESOL Office is working with the Human Resources to decrease the number of ESOL vacancies for the next school year. As we do each spring, the ESOL Office will collaborate with Human Resources to host an ESOL job fair. The information regarding the job fair is being sent to local universities and shared with various educational organizations. Additionally, ESOL and Human Resources reviewed all current PGCPs staff who are ESOL certified, but not working in an ESOL position to determine their interest in working in an ESOL position for the upcoming school year.

4. Page 137 – Special Education

Explain the variances in Restricted: Salaries & Wages – Classroom Teacher, Other Teacher, and Teaching Aide.

The Department of Special Education’s increase in Restricted: Salaries & Wages – Classroom Teacher (\$201,025 to \$2,536,597), Other Teacher (\$2,124,941 to \$5,040,641), and Teaching Aide (\$38,371 to \$3,594,579) from the FY 2021 Approved to FY 2021 Estimated budget reflects position changes. The department conducts staffing/articulation meetings to reallocate staff when special education services are needed across the district for the upcoming school year. These changes are based on student enrollment and the special education services documented in students’ Individualized Education Programs (IEPs) implementation. All changes are reviewed and approved by the Associate Superintendent of Special Education then submitted to the Budget Office in February for inclusion in the FY 2022 operating budget. Some of the positions are allocated to the department’s K-12 cost center to be distributed to schools during the rebalancing staffing process in September.

The reduction in Restricted: Salaries & Wages – Classroom Teacher (\$2,536,597 to \$229,235), Other Teacher (\$5,040,641 to \$2,372,719), and Teaching Aide (\$3,594,579 to \$ 41,363) from the FY 2021 Estimate to the FY 2022 Proposed budget reflects those positions allocated to school-based cost centers (see School Operating Resources pages 63 - 64). Once positions are assigned to schools, the funding is reallocated to schools. This staffing process occurs every year based on special education staffing needs.

Prince George's County Public Schools
Business Management Services
FY 2022 Proposed Operating Budget

Chief of Staff

5. **Page 98-100 – Compliance & Ethics**

Explain the expansion of the Compliance Office to Compliance & Ethics. Is this a change in operations, or just a change in title? Explain the reasoning for this expansion. How is ethics defined and who is subject to ethical inquiries from this office?

The FY 2022 Proposed budget provides no expansion for the Office of Compliance. The title of the office was changed due to the movement of the Ethics and Compliance Officer placed in this office. This movement resulted in name change to the Office of Compliance and Ethics.

The work of the Office of Compliance and Ethics and the Compliance Office was consolidated to address compliance with policies, administrative procedures, and state and federal mandates addressing safe and supportive learning and working environments and fiscal responsibilities of staff.

Ethics relates to spotting potential conflicts of interest problems, compliance with confidentiality requirements, etc. with staff. School system staff is subject to ethical inquiries from this office.

School Support & Leadership

6. **How much is set aside for summer school, outdoor learning for summer of 2021?**

The FY 2022 Proposed budget includes \$800,374 to support summer school as delineated in the table below. PGCPs does not provide outdoor summer school learning for students.

Project Description	FY 2022 Proposed Budget
MS Summer School	\$ 227,721
Mandatory Summer School	\$ 572,653
Total	\$ 800,374

7. **Is there funding to expand community schools?**

Currently, there is no funding to expand Community Schools unless there is a change through the Maryland General Assembly.

8. **This division no longer has an office of Inclusion & Strategic Innovation. This is not new information to the Board but first time showing up in the budget. Have the previous goals for this department now moved to other departments to implement, or all shifted to the Human Resources Division Equity & Excellence department?**

Yes, the goals delineated for this former office have transitioned to the Office of Equity and Excellence that reports to the Chief of Human Resources.

9. **Page 267 - Community Schools - Is the new line for Professional Contracted Services the mental health coordinators funded by Blueprint for Maryland's Future?**

Funding for Professional Contracted Services on Page 267 is designated for mental health supports at 28 schools, in addition to the 65 schools separately funded through the Kirwan Blueprint - Concentration of Poverty Grant (see Page 268). In FY 2020, mental health supports were paid through the State of Maryland Center for School Safety (MCSS) grant. However, in FY 2021, that grant incurred a major reduction due to state cuts early in the pandemic. As a result, in FY 2021 these 28 schools will be funded primarily through the Coronavirus Aid, Relief, and Economic Security (CARES) Act with the remainder of the FY 2021 cost incurred through prior-year carryover of the MCSS grant. In FY 2022, the full \$2.5 million cost of these mental health supports for these 28 schools will be paid from general funds shown on Page 267.

FY 2014 Proposed Operating Budget

10. **Page 268 - Community Schools - Explain the variances in restricted funding – is this all Blueprint for Maryland’s Future Funding?**

Yes, this is funding from the Kirwan Blueprint - Concentration of Poverty Grant. The assumption for the FY 2022 budget for Kirwan Blueprint funding is at the same level as the FY 2021 grant, though those allocations have not yet been released from the State.

The \$8,649,246 allocated in the FY 2021 Estimated budget for Contracted Services represents the mental health professional contracted services allocation for 65 Community schools under the Kirwan Blueprint - Concentration of Poverty Grant. This FY 2021 expenditure projection includes \$6,763,481 in new FY 2021 grant allocations as well as \$1,885,765 in carryover from the FY 2020 grant. Only the \$6,763,481 portion is expected to be funded again in FY 2022. The \$1.4 million allocated in the FY 2021 Estimated budget for Student Supplies are funds that the office utilizes to support all 65 Community schools. The overall goals are to improve student engagement in lessons, school attendance, help children and families overcome instability and the overall welfare of the community. Additional amounts on this page include salary and benefits for a portion of the community school coordinators not yet allocated to schools, as well as Student Supplies for wrap-around supports.

Miscellaneous

11. **What is being done to reduce waste from school account budgets?**

School budgets are monitored to ensure that funds are spent in accordance with the school plan approved during budget development. The FY 2021 school budget was originally developed based on an in-person learning model instead of the virtual model they are currently utilizing; therefore, schools were given the opportunity to reprioritize their budgets. Restrictions on spending were implemented and schools were not permitted to allocate funds to travel, field trips and one-on-one devices. Additionally, this past fall, cost saving strategies were implemented requiring schools to reduce their discretionary budget by 10% to begin to address the potential funding gap for FY 2022.

12. **Is there a consolidated list of all of the early lease payments?**

The table below outlines the FY 2022 lease payments that will be paid early FY 2021.

Agreement	Payment Year	Payment Amount
<i>FY 2011 Refinance - Pepco (Energy Management) - 100963502</i>	FY 2022	\$ 3,378,174.03
<i>FY 2013 Refinance - GCM/Sun Trust (Energy Management) - JCI 8488-2</i>	FY 2022	\$ 2,911,156.33
<i>FY 2019 Refinance - Capital One Public (Equipment) - 100963518</i>	FY 2022	\$ 8,089,134.51
<i>FY 2020 - Bank of America (Equipment) - 21432020</i>	FY 2022	\$ 7,702,756.85
<i>FY 2021 - Bank of America (Equipment)</i>	FY 2022	\$ 7,565,894.03
Total		\$ 29,647,115.75

Prince George's County Public Schools
Business Management Services
FY 2022 Proposed Operating Budget

13. **Can you elaborate on the process around the addition of new support/admin staff, as there seems to be new staff added annually to the majority of departments?**

Full-Time Equivalents (FTE) are added to departments/offices through the annual budget process. Most of the dollar changes shown in the budget book within the Salaries & Wages and Employee Benefits sections are due to scheduled increases in the negotiated labor agreements and changes to the cost of health insurance and related benefits. Actual changes to FTE are relatively rare and are represented in each department's/office's *Operating Budget Staffing by Position* table found in the Organization section of the budget document.

An example of this is illustrated on Page 161 of the Chief Executive Officer's Proposed FY 2022 Annual Operating Budget. In this section for the Chief Financial Officer, the *Operating Budget Staffing by Position* table shows that the same 3.0 FTE positions have existed in all years shown. However, the Salaries & Wages section shows a year-over-year increase of \$17,583 for these employees, representing the projected salary increases next year for these employees under their applicable negotiated agreements. Likewise, the Employee Benefits section shows the additional employer-portion of the cost of carrying over the same benefits for these employees as health care costs increase.