

School Budget Review Committee

George Howard Building
3430 Court House Drive
Ellicott City, Maryland 21043-4392

Approved

Minutes

September 14, 2016

The following members were in attendance: Olga Butler, Robert Coleman, Ann De Lacy, Ananta Hejeebu, Joshua Kaufman, Paul Lemle, Larry Twele, and Jason Werther. Bill Woodcock arrived while the meeting was underway. Beverly Davis and David Clark represented the Howard County Public School System. In addition, County Auditor Steve Peters, and Council Analyst Jeff Meyers also attended. Rushane Jones from the County Budget Office attended, but did not participate.

The video/audio archive of the meeting is available at this web address:
<http://cc.howardcountymd.gov/Online-Tools/Watch-Us>

Chairperson Joshua Kaufman began the meeting at 11:12 a.m. with introductory remarks. Although there was some concern about a quorum, the 8 members present at the start of the meeting were a quorum.

Ms. Butler moved to approve the draft minutes from August 30, 2016. Mr. Lemle seconded. By show of hands, the minutes were approved as offered.

Ms. Davis, the Chief Financial Officer of the Howard County Public School System, briefed the Committee about the internal procedures, key dates, and timelines related to developing a capital budget, a capital improvement program, and a long range capital plan. Because the State Interagency Committee on School Construction requires the School System to submit a priority list in early October. Committee members asked a wide range of questions about the timing of various steps in the process and the relationship of the capital budget to capacity needs. The discussion covered when enrollment counts are done and how that data is used and the relationship of the Feasibility Study to the capital budget and which parts of the County are areas of growth. Relocatable classrooms provide capacity, but that the State only considers capacity within the buildings. Some anecdotal reports show disagreement about whether relocatable

classrooms are desirable or undesirable to teachers and whether they are truly an “interim” measure. In addition to expanding capacity by adding buildings, the capital budget covers projects to add capacity to existing buildings, to renovate and modernize them, and to add certain kinds of technology. Vehicles and other kinds of technology are included in the operating budget. The discussion of the capital budget included a discussion of the School System’s land bank and the steps that must occur before a new school site becomes final.

Ms. Davis also briefed the Committee about the operating budget. Although the budget cycle is continuous, the public announcements and hearings occur in the winter and spring. State requirements on maintenance of effort funding drive part of the budget development process. The School System uses a programmatic approach to budgeting. Each program has a program manager, sometimes called a performance manager, who must craft a budget request designed to generate the desired outcome for that program. The School System is moving towards developing more granular methods to measure performance for each program. And each program’s budget request must demonstrate support of one or more goals from Vision 2018. Program budgets are divided into various line items, such as salary, equipment, and contracted services. The School System budget office consolidates all of the program requests and analyzes them against expected revenues. The budget office also identifies new requests. The analyses are presented to leadership as the Superintendent’s Requested Budget is crafted. That request is reviewed by the Board of Education and, after several hearings and worksessions, the Board of Education’s Requested Budget is approved and sent to the County. By State law, the budget request is sliced into a number of major categories. The County may only approve the request or cut from one or more categories. Given this system, the Board must ask for all the funding that it believes the School System will need as once the Board approves the budget, no one may add to it. After the County approves the budget, the Board of Education will adopt it, adjusting line items as necessary to accommodate any cuts. Committee members asked a number of questions about how new initiatives are included in the budget, about how enrollment growth is accommodated, about how unspent funds are handled, and about how methods for handling input from both school-based staff and from management. Ms. Davis explained how the decision to use grant money first, particularly for Special Education, may lead to the appearance that budgeted funds are not being used. She also touched on the challenges of hiring in that area. Ms. Davis deferred providing a detailed response related to employee benefits charges and funds.

By consensus, the Committee determined to focus on determining the Committee’s deliverables at the next meeting. Mr. Kaufman also requested members to bring to that meeting any additional questions related to the School System budgets.

The Committee adjourned at 1:06 p.m.