

School Budget Review Committee

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

approved

Minutes

October 11, 2016

The following members were in attendance: Olga Butler, Ron Caplan, Dan Chambers (substituting for Paul Lemle), Robert Coleman, Ann De Lacy, Ananta Hejeebu, Joshua Kaufman, Barb Krupiarz (substituting for Jason Werther), Ryan Sturm, and Matta Zeinali (substituting for Reg Avery). In addition, County Auditor Steve Peters and Council Analyst Jeff Meyers attended.

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 1:10 p.m. with a review of the agenda.

Mr. Caplan moved to approve the draft minutes from September 21, 2016. Ms. De Lacy seconded. By voice vote, the minutes were approved as offered.

Ms. Butler indicated that the Committee is not likely to be able to acquire sufficient data and meet often enough to make specific budget recommendations for FY' 18. Mr. Kaufman added that recommendations on process improvements may need to be deferred. Ms. De Lacy reminded the Committee that it still needs to review school capacity utilization and the capital budget. Mr. Caplan suggested that the County has enough money, but the process needs improvement. He suggested that the County be more involved earlier in the budget process. Ms. Butler added that more transparency would improve understanding.

Mr. Kaufman suggested that the Committee focus on forming questions related to the key budget areas previously identified. The Committee discussed whether transportation (including the cost of transportation for non-public students and whether the system should or should not use bus contractors), food service, athletics, after-school activities (and transportation home from them

for disadvantaged students) and instructional materials should be added as key areas, but opted not to do so because those areas were not a focus of the County Council last spring and because reviewing too many key budget areas would lead to less thorough reviews of each area.

Beverly Davis, the HCPSS CFO, described the current and projected deficit status of the health fund and how that affects spending from the general fund. Mr. Kaufman noted that specific budget changes required to deal with a cut by the County to fixed charges were not clear to the County Council during budget deliberations.

Overall questions

- How was the budget changed as a result of the cuts made by the County government?
- What were the programmatic impacts?

Fixed Charges – staff related benefits.

- What happens to the account at the end of the budget year? If there is a deficit, how is it handled? If there is a surplus?
- How is the budget for this category determined and how accurate have the projections been over the last three years?
- Is this category subject to negotiation with employee bargaining groups and, if so, what is the process? What is the impact on the budget? What are the employee contributions to this category?
- How does the school system's experience inform the budget request for this category?
- Why does this category contain excess funds at the end of some budget years?
- What are the FY' 16 audited figures for this category?
- What are the trendlines for spending in this category?

Special Education

- How are budget projections for this category made?
- How are charges characterized as "special education"?
- Does funding in this category track population changes in this category?
- Is it true that as the special education population has grown, special education staffing has shrunk?
- Why would money be transferred out of special education at the end of the year?
- What are the planning assumptions in this category?
- What are the trendlines for the population in this category and for the kinds of services utilized?

- Where are the special education categories in the budget and how much is allocated for each category?
- What is the racial breakdown of special education students?
- How does the budget accommodate changes in needs from year to year?
- Is there a Maintenance of Effort requirement or special education?
- How much is spent on non-public placements? How is this planned for? What caps are placed on such placements?

Legal Fees

- What are the trendlines for legal fees and for each subcategory? How much is spent related to employee discipline? Lawsuits? Workers compensation? Other categories?
- For purposes of budgeting for legal services, how are the various categories chosen?
- What is the connection between growth in legal fees and population growth?
- Why were legal services totally outsourced? Has the effectiveness and efficiency of the change been evaluated? Are we really saving money?
- Does spending more on legal services lead to savings elsewhere in the budget?
- Shortly before the privatization of legal services, the Board of Education voted to add an in-house lawyer who specialized in special education. Why did the change not occur?

Staffing

- How are unfilled positions accounted for?
- Is this category subject to negotiation with employee bargaining groups and, if so, what is the process?
- How are compensation and benefits amounts derived?
- What happens to excess funds at the end of the budget year?
- What is the process to add new positions? What conditions would justify new positions?
- What is the role of Maintenance of Effort requirements in regards to this category?
- What is the process for predicting the number of employees that will be needed?
- What is the effect of a change in class size on the number of staff? How do our figures compare to other counties?
- What are the different categories of staff and how are the numbers generated for each?
- What are the trendlines for changes in staffing in each category?

The Committee will meet next on October 26 to discuss the questions related to fixed charges and staffing. It is hoped that HCPSS will send individuals with appropriate expertise to brief the Committee.

The Committee adjourned at 2:44 p.m.