

Chapter 9

Finance

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Racial Equity and Social Justice Statement

In announcing the new leadership structure starting in Fiscal Year 2023, the superintendent highlighted that the new chief operating officer position will oversee the equitable allocation of resources so that our schools, students, and staff have what they need. The Office of Finance supports the chief operating officer in this effort. Moreover, one of the superintendent's priorities for the 2023-2024 school year is the refocus on equitable teaching and learning, which is accomplished in part through equity in the allocation of resources.

The Office of Finance promotes racial equity and social justice by supporting MCPS leadership and the school district in the formulation, submission, and implementation of the annual MCPS operating budget. In addition, the Office of Finance assists in allocating these resources each year to the schools and offices of MCPS. Equity is exhibited throughout the pre-K to Grade 12 budget staffing guidelines that are included as an appendix in the annual operating budget documents.

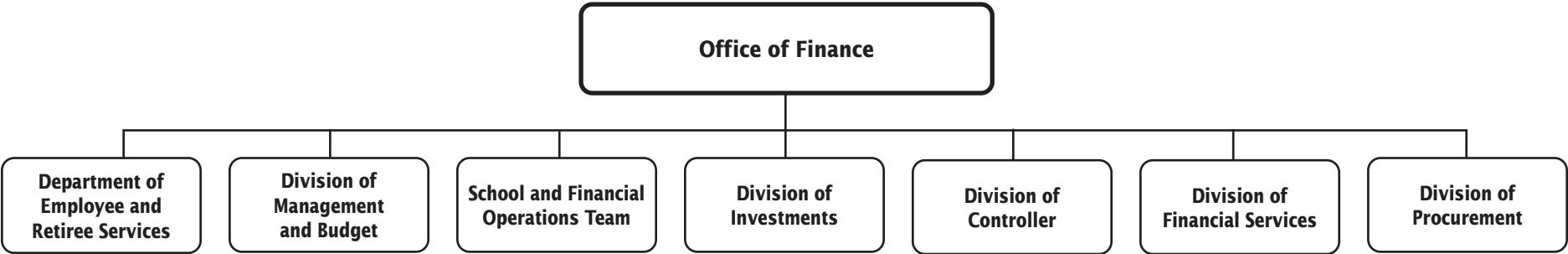
The office oversees the reporting for many grants that aim to bring racial and social equity. There are several food grants aimed at bringing breakfasts, lunches, and summer meals to families for free or at a reduced price. The Title I grants help provide additional funding for low income students. English Language Acquisition grants aim to help English learners attain proficiency. Head Start grants assist children ages 3-5 living in poverty to obtain early education, family support, and health services.

The Office of Finance completes the Every Student Succeeds Act Per-Pupil reporting to the State of Maryland. This is a tool that can assist in monitoring spending per student by each school. This promotes transparency and can be one way to assess equity in the allocation of funding and Full-time Equivalent positions among schools and students.

Finance
Summary of Resources
By Object of Expenditure

OBJECT OF EXPENDITURE	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
POSITIONS (FTE)					
Administrative	9.7500	10.7500	10.7500	11.7500	1.0000
Business / Operations Admin	7.5000	7.5000	7.7500	7.7500	-
Professional	-	-	-	-	-
Supporting Services	72.2500	73.7500	73.7500	75.2500	1.5000
TOTAL POSITIONS (FTE)	89.5000	92.0000	92.2500	94.7500	2.5000
POSITIONS DOLLARS					
Administrative	3,247,651	1,582,950	1,582,950	1,694,455	111,505
Business / Operations Admin	792,119	782,362	782,362	782,362	-
Professional	-	-	-	-	-
Supporting Services	5,079,364	5,865,133	5,865,133	6,011,002	145,869
TOTAL POSITIONS DOLLARS	\$9,119,135	\$8,230,445	\$8,230,445	\$8,487,819	\$257,374
OTHER SALARIES					
Extracurricular Salary	-	-	-	-	-
Other Non Position Salaries	(1,358,714)	5,734,256	5,734,256	5,484,256	(250,000)
Professional Part time	-	18,580	18,580	9,457	(9,123)
Supporting Services Part-time	287,229	288,904	288,904	268,687	(20,217)
Stipends	-	113,897	113,897	-	(113,897)
Substitutes	-	-	-	-	-
Summer Employment	-	-	-	-	-
TOTAL OTHER SALARIES	(\$1,071,485)	\$6,155,637	\$6,155,637	\$5,762,400	(\$393,237)
TOTAL SALARIES & WAGES	\$8,047,650	\$14,386,082	\$14,386,082	\$14,250,219	(\$135,863)
CONTRACTUAL SERVICES					
Consultants	-	5,695	5,695	-	(5,695)
Other Contractual	142,603	3,793,719	3,793,719	4,941,732	1,148,013
TOTAL CONTRACTUAL SERVICES	\$142,603	\$3,799,414	\$3,799,414	\$4,941,732	\$1,142,318
SUPPLIES & MATERIALS					
Instructional Materials	-	-	-	-	-
Media	-	-	-	-	-
Other Supplies and Materials	(2,549,089)	1,573,626	1,573,626	1,490,535	(83,091)
Textbooks	-	-	-	-	-
TOTAL SUPPLIES & MATERIALS	(\$2,549,089)	\$1,573,626	\$1,573,626	\$1,490,535	(\$83,091)
OTHER COSTS					
Insurance and Employee Benefits	582,659,581	607,956,931	607,956,931	656,347,326	48,390,395
Extracurricular Purchases	-	-	-	-	-
Other Systemwide Activity	(45,048)	1,947,851	1,947,851	2,356,412	408,561
Travel	40,753	156,247	156,247	156,247	-
Utilities	-	-	-	-	-
TOTAL OTHER COSTS	\$582,655,286	\$610,061,029	\$610,061,029	\$658,859,985	\$48,798,956
FURNITURE & EQUIPMENT					
Equipment	463,092	14,122	14,122	115,264	101,142
Leased Equipment	(11,648)	-	-	-	-
TOTAL FURNITURE & EQUIPMENT	\$451,445	\$14,122	\$14,122	\$115,264	\$101,142
GRAND TOTAL AMOUNTS	\$588,747,893	\$629,834,273	\$629,834,273	\$679,657,735	\$49,823,462

Finance—Overview



F.T.E. Positions 94.75

* In addition, there are 19.5 positions funded by the Employee Benefits Trust Fund and 8.0 positions funded by the Employee Pension fund. These non-operating budget positions are noted on other charts in this chapter.

Office of Finance

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MISSION The Office of Finance facilitates the alignment of the district strategic priorities with financial resources that result in Montgomery County Public Schools (MCPS) providing the highest quality education and opportunities for all students to succeed.

MAJOR FUNCTIONS

In addition to the functions of the departments, divisions, and units in the office, the office prepares and coordinates all financial-related communications between the superintendent of schools and the board of education. It provides liaison with the county's Office of Management and Budget, the County Council staff, and the Maryland State Department of Education on all financial matters regarding MCPS. The office supervises and coordinates the visiting bookkeeper program that provides direct support to all MCPS elementary schools and special programs and maintains the MCPS Financial Manual chapters through collaboration with various MCPS departments. The office brings central services resources to support schools through support of the School Funds Online and School Cash Online systems. This central effort reduces burden on schools so that school-based employees can focus on the critical work of teaching and learning for all students.

School and Financial Operations Team (*Professional and Operational Excellence*)

The School and Financial Operations Team works closely with all MCPS offices and schools to implement a system to allocate resources to schools based on school, student, and program requirements. The team collaborates with stakeholders to ensure guidelines for allocations are aligned with system priorities and differentiated to meet student needs. Allocations are consistent so that schools with similar needs receive similar resources. Allocations are transparent so that everyone understands how and why decisions are made. Allocations are differentiated so that schools with great needs receive greater resources. Allocations are flexible so that adjustments can be made to meet the needs of individual schools, programs, and students.

All positions and resources are allocated based on a careful review of data. Initial staffing allocations occur in February each year, before the start of the school year,

and are adjusted throughout the year based on a review of enrollment as well as program and student data.

The Office of Finance uses data to guide the equitable allocation of resources and to monitor the responsible management of financial, material, and staffing resources for schools that are essential to high quality educational programs and academic excellence for all students. Non-position allocations for textbooks, media center materials, instructional materials, and clerical support are differentiated based on enrollment to ensure that teachers have the resources needed to teach and students have the resources needed to learn. Other non-position allocations are strategically aligned with system goals and differentiated based on the percent of Free and Reduced-price Meal System (FARMS) students and/or proportion of at-risk groups of students in an effort to leverage additional resources to more highly impacted schools. Examples include allocations for furniture/equipment replacement and achievement-focused extracurricular activity programs. Also, funds are allocated to high schools to help defray the costs associated with drama, newspapers, and literary magazines.

Eighty percent of non-position allocations, including funding for textbooks, media materials, and instructional materials, are distributed in May each year prior to the start of the school year and are adjusted when final enrollment numbers are confirmed in the fall. Other non-position allocations to schools include extracurricular program funding, furniture and equipment replacement funds, music program support, and outdoor education staffing resources. Utilization of resources is monitored throughout the year through financial monitoring, reporting, and analysis of financial data.

The Office of Finance works to promote operational excellence by ensuring that schools have the knowledge, understanding, and tools necessary to manage their resources efficiently and effectively. The office collaborates with schools and other offices to ensure an understanding of the resources available to support K-12 teaching and learning, including the purpose of funding, the guidelines and timelines for use of the funds, and processes for accessing the funds. The Office of Finance provides leadership for the coordination of resources and supports related to school business and financial management of operating fund allocations and local school Independent Activity Funds. The Office of Finance utilizes data from school audit reports and surveys to identify target areas where additional supports are needed and to guide the continuous improvement of training and resources for school financial agents and school administrators.

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Investments *(Professional and Operational Excellence)*

The Division of Investments is responsible for assisting the Board of Investment Trustees to implement, monitor, and manage the investment portfolio of the MCPS Employees' Retirement and Pension Systems. This includes rebalancing the portfolio, managing portfolio cash to meet Trust obligations, and overseeing external investment managers and service providers to implement investment policies. The division also oversees the operations and administration of the 403(b) and 457(b) plans, serves as liaison to the Defined Contribution Investment Committee, and monitors plan investments' performance. In addition, the Division of Financial Services supports parts of this work through its financial reporting.

Management and Budget *(Professional and Operational Excellence)*

The Division of Management and Budget within the Office of Finance provides guidance and support on the preparation and formulation of the operating budget for MCPS. The operating budget is developed using student outcomes, demographic data, fiscal data and trends, and enrollment data to ensure resources are aligned with the school system's strategic priorities. The division works closely with county government, county council, and state education officials as it monitors expenditures and develops options and recommendations on the operating budget that is provided to the superintendent of schools and the Board of Education. The division also facilitates the review of the operating budget and communicates budget information within MCPS, to the county and state, and to the public through a variety of publications, forums, and presentations to strengthen collaboration, promote transparency, and work to help ensure that resources are available to address student and school needs.

In order to enhance transparency and engage parents, students, employees, and the community, the division is focused on improving the clarity of budget and fiscal information in all budget documents, on the MCPS Budget 101 webpage (see www.montgomeryschoolsmd.org/budget-101/index.html), and through other forms of communication. Other forms include the Open Data Portal for MCPS, giving the community the ability to view the MCPS operating budget by each of the 10 budget chapters and individual budget accounts (see <https://data.montgomeryschoolsmd.org/browse?category=Budget>). Through enhanced communication, we will continue to emphasize how MCPS operating budget resources are aligned with the district's strategic priorities.

MCPS actively garners grant funding to support projects that address critical unmet needs, supplement existing programs, explore new ideas, and/or implement model programs. Grants also serve as catalysts toward building partnerships between schools and communities that will improve the quality of education and support academic achievement for all. The Division of Management and Budget provides technical assistance to staff seeking grant opportunities through the review of grant opportunities and proposals for compliance with MCPS policies, procedures, and regulations, as well as for quality and compliance with grantor intentions and preferences.

Through regular financial monitoring and data-driven analysis, the Division of Management and Budget maintains controls for current-year revenues and expenditures to ensure that the operating budget is implemented as approved. The division strives to make accurate forecasts in order to make decisions regarding current and future budget requirements. New processes have been implemented to improve the accuracy of forecasts. The division conducts regular reviews of the financial condition of the MCPS operating budget with executive staff by examining all expenditure accounts and preparing expenditure and revenue projections. Detailed financial reports are prepared for the superintendent of schools and the Board of Education. In addition, the Division of Management and Budget collaborates with the Office of Human Resources and Development to review position management data to ensure fiscal control.

Financial Services *(Professional and Operational Excellence)*

The Division of Financial Services prepares the financial statements, statistical reports, and other accounting reports for the school district; completes financial statement and legislative audits; works with the state in their preparation of the annual financial report; prepares required federal, state, and other reports, including *Every Student Succeeds Act* and cost per pupil reports; manages federal, state, and other grants, including COVID-19 funding; provides for internal controls of all accounting activities; processes accounting transactions; supports procurement card activity; collects amounts owed to MCPS; makes all payments on behalf of MCPS; and coordinates system cash including the Centralized Investment Fund. The division provides accounting services to the MCPS Educational Foundation, a 501(c)(3) corporation.

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Controller *(Professional and Operational Excellence)*

The Division of Controller works with MCPS offices and schools to fulfill the accounting requirements of diverse school financial systems. The office processes accounting transactions; supports and performs desk review of procurement card activity in addition to annual P-card certification process; collects amounts owed to MCPS; makes all payments on behalf of MCPS; manages customers and suppliers; and administers the MCPS central office bank accesses, upgrade, and bank system integration. The office provides guidance, coordination, maintenance support, and financial data analysis for the MCPS Business Hub, directly working or serving as facilitator with the Office of Finance's Division of Management and Budget, School and Financial Operations Team, and program and executive staff to ensure that timely and accurate financial data and reports are available to make sound budget and financial decisions. The office also administers and problem-solves day-to-day issues with the MCPS Business Hub, P-card, online school payment system, and other third-party financial applications including serving as a facilitator for system-wide workgroups. The office also administers MCPS monthly closing and annual closing processes. The office collects the student extracurricular activity fund fee and manages the federal Impact Aid program. The office also serves as a single point of contact for MCPS for the IRS 1099 reporting, IRS payroll tax reporting, and state escheatment process.

Procurement *(Academic Excellence; Well-being and Family Engagement; Professional and Operational Excellence)*

The Division of Procurement purchases goods and services through contract awards to vendors who meet product specifications. The unit monitors vendor performance and product quality to ensure maximum customer satisfaction. Customer service is paramount to providing the resources needed to successfully support instructional programs. The Division of Procurement works closely with all offices, departments, and the Office of General Counsel to allow for contractors, vendors, and materials to be accessed for students. Maryland state law requires MCPS to advertise for sealed bids for materials, equipment, and supplies that cost more than \$25,000. In FY 2010, the state passed a funding accountability law (pertaining to MCPS only) that provides for web-based reporting to the public; several other jurisdictions have since followed with similar information. In addition, the Board of Education has tasked the Division of Procurement with promoting outreach efforts and actively recruiting minority, female, and disabled vendors. The Division of Procurement supports the Office Finance and

MCPS mission, vision, and strategic goals by providing vendor contracts for schools and offices to purchase high quality goods and services at reasonable costs. This unit follows all procurement protocols and policies, maintains unit objectives, and provides a clear method and process for procuring goods and services for MCPS. Procurement maintains processes and systems to ensure quality services and excellent customer service.

Employee and Retiree Services *(Professional and Operational Excellence)*

The Department of Employee and Retiree Services, also known as Employee and Retiree Service Center (ERSC) supports system priorities by operating a comprehensive compensation and benefits, loss prevention, and other related programs that support success for every student through the role of employee compensation and benefits in attracting and retaining high-quality staff. ERSC provides high quality services to schools, employees, and retirees by ensuring broad access to accurate and timely information by using a fully integrated suite of business applications that include the Human Resources Information System and the Life-works Retirement System. ERSC serves as a single point of contact for employees and retirees for information on compensation and benefits. ERSC administers payroll, health and retirement benefits, leave, salary administration, and workforce reporting. ERSC operates a call center, transaction unit, communications, and employee wellness program. It provides support for policy implementation and uses technology to improve services and efficiency.

OVERVIEW OF BUDGET CHANGES

FY 2024 RECOMMENDED BUDGET

The FY 2024 recommended budget for this office is \$20,498,810, an increase of \$1,427,280 over the current FY 2023 budget. An explanation of this change follows.

Same Service Level Changes – (\$141,604)

Realignments to Meet Expenditure Requirements and Program Priorities – (\$129,418)

There are several realignments budgeted to address priority spending needs within this office.

In the Office of Finance, there are realignments budgeted to support the operational needs of the office, including reductions of \$2,933 from supporting services part-time

Office of Finance

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salaries, \$2,586 from program supplies, and \$1,000 from budget meetings, as well as increases of \$417 for office supplies, \$2,740 for additional furniture and equipment, \$730 for clerical overtime and \$2,800 for awards and recognition. In addition, there is a technical adjustment to realign a 1.0 assistant to the associate superintendent position to a 1.0 executive director position.

In the Division of Management and Budget, there is a realignment of \$134,564 from a 1.0 supervisor position, \$2,147 from professional part-time salaries, and \$1,156 from office supplies to fund \$922 for supporting services part-time salaries and \$136,587 for a 1.0 director I position to provide higher level leadership in this division to meet the support, management, and oversight demands that the work of this division requires.

In the Division of Controller, there is a realignment of \$48,919 from a 1.0 account assistant IV position and \$33,580 from bank fees to fund \$72,349 for a 1.0 accounts receivable (AR) team leader position to provide additional support in leading and monitoring AR processes, oversight of the AR Business HUB module and other general data management functions within the division.

In addition, there are realignments within this chapter to the Department of Employee and Retiree Services to fund a 1.0 data integration specialist II position, which will provide critical data and technical support to the payroll team, resulting in reductions in the Office of Finance of \$5,976 from professional part-time salaries, \$5,727 from supporting services part-time salaries, and \$2,030 from program supplies.

Furthermore, there is a realignment of \$83,296 for a 1.0 materials management support specialist position and \$22,049 for a 1.0 materials property assistant from this chapter to Chapter 7, District Operations, to align the positions with the Supply and Property Management team where this work is managed.

As a result of these realignments, \$10,340 is added to the Department of Employee and Retiree services for employee benefits.

Other—(\$12,186)

There is a technical salary adjustment resulting in a decrease of \$12,186 from this budget.

Efficiencies and Reductions—(\$259,187)

The budget for this office includes a comprehensive effort to identify potential program efficiencies and reductions. There are reductions of \$5,695 from consultant services, \$70,236 from program supplies, and \$113,897 from stipends. These funds were included in

the FY 2023 operating budget to fund unanticipated operational needs resulting from the continued impacts of the COVID-19 pandemic. It is not anticipated these funds will be required for this purpose in FY 2024. In addition, as a result of fee reduction due to an adjustment to the bank fee and interest income structure to improve the cost/benefit balance, there is a reduction of \$59,659 from bank fees. Lastly, there are reductions of \$1,000 from furniture and equipment replacement, \$1,000 from professional part-time salaries, and \$7,700 from supporting services part-time salaries. As a result of reductions impacting salaries, there also is a reduction of \$666 from Chapter 9, Department of Employee and Retiree Services, for employee benefits.

Strategic Accelerator—\$328,071

Professional and Operational Excellence—\$328,071

There are four strategic accelerators that focus on professional and operational excellence. They are as follows:

- \$85,696 for a 1.0 fiscal specialist I position is included in the Office of Finance to provide supplemental financial support to schools, in collaboration with the visiting bookkeeper program focusing on elementary schools, to further elevate the high-level support and professional development of school-based financial staff. In addition, \$37,124 is added to this chapter in the Department of Employee and Retiree Services for employee benefits.
- \$121,668 for a 1.0 coordinator position is included in the Division of Management and Budget to lead, develop and coordinate high-level processes related to financial monitoring, including requirements from the Blueprint for Maryland's Future legislation, as well as the continued integrations of the business HUB with district budget requirements and the new Human Capital Management system to be implemented in January 2024. In addition, \$27,071 is added to this chapter in the Department of Employee and Retiree Services for employee benefits.
- \$51,803 for a 1.0 fiscal assistant III position is included in the Department of Financial Services to provide support with complex accounting functions, including monitoring and reporting to internal and external stakeholders on grant-funded programs, ensuring timely processing and accurate data required for the Annual Comprehensive Financial Report. In addition, \$22,441 is added to this chapter in the Department of Employee and Retiree Services for employee benefits.
- \$68,904 for a 1.0 contract administrator position is included in the Division of Procurement to provide additional support with contract execution and workflow to ensure efficient processing of contractual

Office of Finance

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documentation in collaboration with the Office of the General Counsel and other district stakeholders. In addition, \$29,849 is added to this chapter in the Department of Employee and Retiree Services for employee benefits.

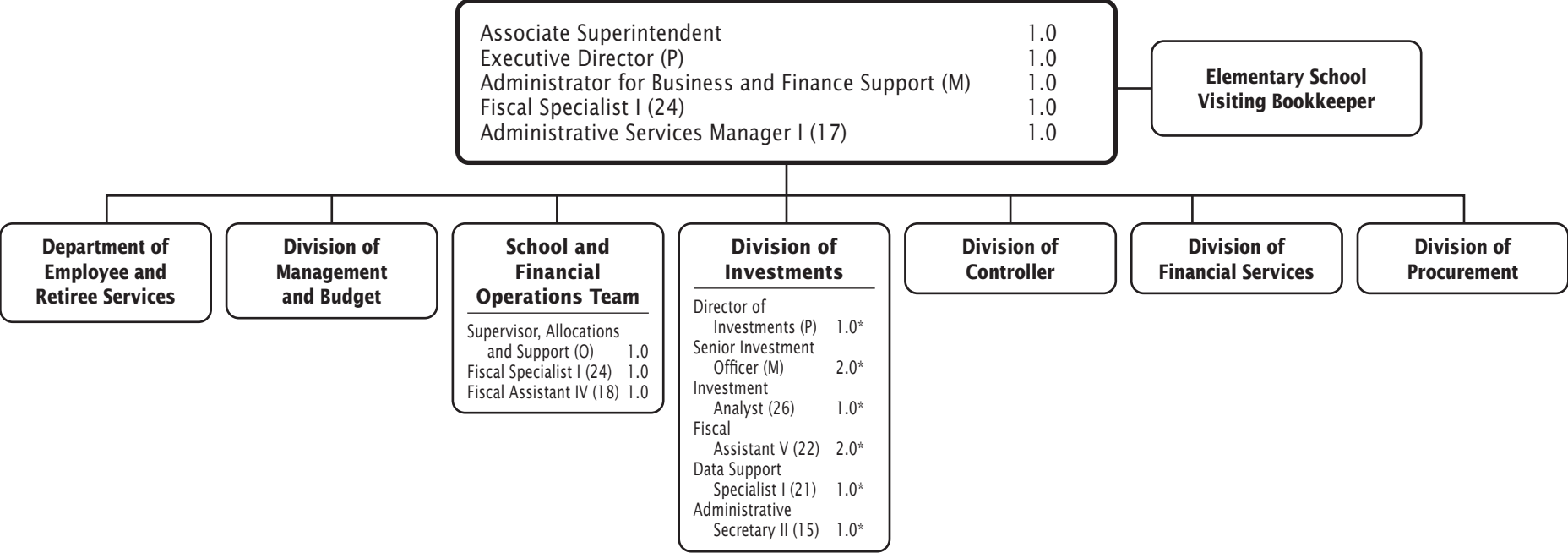
Provision for Future Supported Projects—\$1,500,000

There is an increase of \$1,500,000 based on actual expenditures and the anticipation of more grant funds in FY 2024. The additional funding gives MCPS the appropriation authority to receive grant funding within the constraints of the operating budget. The additional funding has no impact on the tax-supported budget. In addition, there are realignments within the provision for future supported projects program based on current and prior year trends for funding needs from this program, resulting in a decrease of \$250,000 from salaries and wages, with offsetting increases of \$150,598 for contractual services and \$99,402 for furniture and equipment.

Program's Recent Funding History

	FY 2023 Budgeted 7/1/22	FY 2023 Received 11/30/22	FY 2024 Projected 7/1/23
Federal	\$10,031,204	\$10,031,204	\$11,531,204
Total	\$10,031,204	\$10,031,204	\$11,531,204

Office of Finance



F.T.E. Positions 16.0

*This chart includes positions funded by the Employee Pension fund.

Office of Finance

OBJECT OF EXPENDITURE	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
POSITIONS (FTE)					
Administrative	4.0000	4.0000	4.0000	4.0000	-
Business / Operations Admin	-	-	-	-	-
Professional	-	-	-	-	-
Supporting Services	3.0000	3.0000	3.0000	4.0000	1.0000
TOTAL POSITIONS (FTE)	7.0000	7.0000	7.0000	8.0000	1.0000
POSITIONS DOLLARS					
Administrative	628,229	634,768	634,768	634,768	-
Business / Operations Admin	-	-	-	-	-
Professional	-	-	-	-	-
Supporting Services	214,954	269,299	269,299	354,995	85,696
TOTAL POSITIONS DOLLARS	\$843,183	\$904,067	\$904,067	\$989,763	\$85,696
OTHER SALARIES					
Extracurricular Salary	-	-	-	-	-
Other Non Position Salaries	-	-	-	-	-
Professional Part time	-	16,433	16,433	9,457	(6,976)
Supporting Services Part-time	164,820	200,694	200,694	184,334	(16,360)
Stipends	-	113,897	113,897	-	(113,897)
Substitutes	-	-	-	-	-
Summer Employment	-	-	-	-	-
TOTAL OTHER SALARIES	\$164,820	\$331,024	\$331,024	\$193,791	(\$137,233)
TOTAL SALARIES & WAGES	\$1,008,002	\$1,235,091	\$1,235,091	\$1,183,554	(\$51,537)
CONTRACTUAL SERVICES					
Consultants	-	5,695	5,695	-	(5,695)
Other Contractual	131,737	2,718,356	2,718,356	2,718,356	-
TOTAL CONTRACTUAL SERVICES	\$131,737	\$2,724,051	\$2,724,051	\$2,718,356	(\$5,695)
SUPPLIES & MATERIALS					
Instructional Materials	-	-	-	-	-
Media	-	-	-	-	-
Other Supplies and Materials	(2,644,503)	91,054	91,054	19,205	(71,849)
Textbooks	-	-	-	-	-
TOTAL SUPPLIES & MATERIALS	(\$2,644,503)	\$91,054	\$91,054	\$19,205	(\$71,849)
OTHER COSTS					
Insurance and Employee Benefits	552	-	-	-	-
Extracurricular Purchases	-	-	-	-	-
Other Systemwide Activity	69,495	62,200	62,200	62,200	-
Travel	29	1,800	1,800	1,800	-
Utilities	-	-	-	-	-
TOTAL OTHER COSTS	\$70,076	\$64,000	\$64,000	\$64,000	-
FURNITURE & EQUIPMENT					
Equipment	678	4,500	4,500	6,240	1,740
Leased Equipment	-	-	-	-	-
TOTAL FURNITURE & EQUIPMENT	\$678	\$4,500	\$4,500	\$6,240	\$1,740
GRAND TOTAL AMOUNTS	(\$1,434,009)	\$4,118,696	\$4,118,696	\$3,991,355	(\$127,341)

Office of Finance

			FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
FUND	CAT	DESCRIPTION	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
Office of Finance							
F01	C01	NS Associate Superintendent	1.0000	1.0000	1.0000	1.0000	-
F01	C01	N Asst to Associate Supt	1.0000	1.0000	1.0000	-	(1.0000)
F01	C01	P Executive Director	-	-	-	1.0000	1.0000
F01	C01	M Adm Business & Finance Supp	1.0000	1.0000	1.0000	1.0000	-
F01	C01	17 Admin Services Manager I	1.0000	1.0000	1.0000	1.0000	-
F01	C02	24 Fiscal Specialist	-	-	-	1.0000	1.0000
SUBTOTAL			4.0000	4.0000	4.0000	5.0000	1.0000

School and Financial Operations Team							
F01	C02	O Supervisor (C)	1.0000	1.0000	1.0000	1.0000	-
F01	C02	16 Fiscal Assistant III	1.0000	-	-	-	-
F01	C02	18 Fiscal Assistant IV	-	1.0000	1.0000	1.0000	-
F01	C02	24 Fiscal Specialist	1.0000	1.0000	1.0000	1.0000	-
SUBTOTAL			3.0000	3.0000	3.0000	3.0000	-

TOTAL POSITIONS			7.0000	7.0000	7.0000	8.0000	1.0000
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Division of Management and Budget

Director I (P)	1.0
Coordinator (N)	1.0
Team Leader (M)	1.0
Budget Specialist IV (27)	1.0
Data Integration Specialist III (27)	1.0
Budget Specialist III (26)	1.0
Budget Specialist II (25)	1.0
Budget Specialist I (24)	3.0
Position Management Assistant (17)	0.75
Administrative Secretary III (16)	1.0

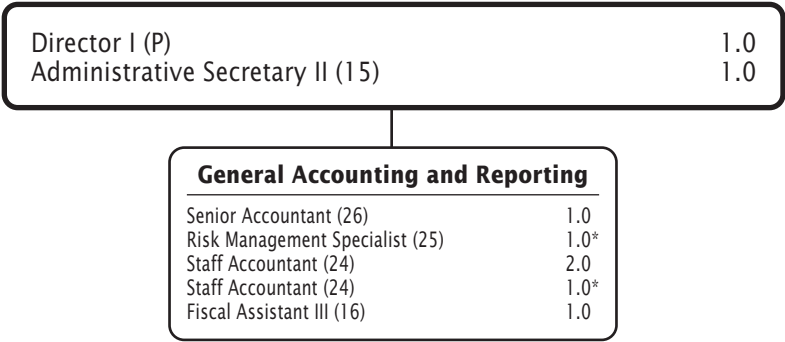
Division of Management and Budget

OBJECT OF EXPENDITURE	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
POSITIONS (FTE)					
Administrative	1.0000	2.0000	2.0000	3.0000	1.0000
Business / Operations Admin	-	-	-	-	-
Professional	-	-	-	-	-
Supporting Services	9.7500	8.7500	8.7500	8.7500	-
TOTAL POSITIONS (FTE)	10.7500	10.7500	10.7500	11.7500	1.0000
POSITIONS DOLLARS					
Administrative	248,978	282,109	282,109	393,614	111,505
Business / Operations Admin	-	-	-	-	-
Professional	-	-	-	-	-
Supporting Services	635,969	831,790	831,790	831,790	-
TOTAL POSITIONS DOLLARS	\$884,947	\$1,113,899	\$1,113,899	\$1,225,404	\$111,505
OTHER SALARIES					
Extracurricular Salary	-	-	-	-	-
Other Non Position Salaries	-	5,734,256	5,734,256	5,484,256	(250,000)
Professional Part time	-	2,147	2,147	-	(2,147)
Supporting Services Part-time	615	4,078	4,078	5,000	922
Stipends	-	-	-	-	-
Substitutes	-	-	-	-	-
Summer Employment	-	-	-	-	-
TOTAL OTHER SALARIES	\$615	\$5,740,481	\$5,740,481	\$5,489,256	(\$251,225)
TOTAL SALARIES & WAGES	\$885,561	\$6,854,380	\$6,854,380	\$6,714,660	(\$139,720)
CONTRACTUAL SERVICES					
Consultants	-	-	-	-	-
Other Contractual	-	1,062,328	1,062,328	2,212,926	1,150,598
TOTAL CONTRACTUAL SERVICES	-	\$1,062,328	\$1,062,328	\$2,212,926	\$1,150,598
SUPPLIES & MATERIALS					
Instructional Materials	-	-	-	-	-
Media	-	-	-	-	-
Other Supplies and Materials	5,845	1,412,681	1,412,681	1,411,525	(1,156)
Textbooks	-	-	-	-	-
TOTAL SUPPLIES & MATERIALS	\$5,845	\$1,412,681	\$1,412,681	\$1,411,525	(\$1,156)
OTHER COSTS					
Insurance and Employee Benefits	-	-	-	-	-
Extracurricular Purchases	-	-	-	-	-
Other Systemwide Activity	-	1,831,497	1,831,497	2,331,497	500,000
Travel	214	309	309	309	-
Utilities	-	-	-	-	-
TOTAL OTHER COSTS	\$214	\$1,831,806	\$1,831,806	\$2,331,806	\$500,000
FURNITURE & EQUIPMENT					
Equipment	4,762	2,098	2,098	101,500	99,402
Leased Equipment	-	-	-	-	-
TOTAL FURNITURE & EQUIPMENT	\$4,762	\$2,098	\$2,098	\$101,500	\$99,402
GRAND TOTAL AMOUNTS	\$896,383	\$11,163,293	\$11,163,293	\$12,772,417	\$1,609,124

Division of Management and Budget

			FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
FUND	CAT	DESCRIPTION	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
Division of Management and Budget							
F01	C01	P Director I (S)	-	-	-	1.0000	1.0000
F01	C01	O Supervisor (S)	1.0000	1.0000	1.0000	-	(1.0000)
F01	C01	M Team Leader	-	1.0000	1.0000	1.0000	-
F01	C01	N Coordinator (C)	-	-	-	1.0000	1.0000
F01	C01	17 Copy Editor/Admin Sec	1.0000	-	-	-	-
F01	C01	16 Admin Secretary III	-	1.0000	1.0000	1.0000	-
F01	C01	17 Position Management Asst	0.7500	0.7500	0.7500	0.7500	-
F01	C01	27 Data Integration Specialist III	-	1.0000	1.0000	1.0000	-
F01	C01	27 IT Systems Engineer	1.0000	-	-	-	-
F01	C01	24 Mgmt/Budget Spec I	2.0000	3.0000	3.0000	3.0000	-
F01	C01	25 Mgmt/Budget Spec II	1.0000	1.0000	1.0000	1.0000	-
F01	C01	26 Mgmt/Budget Spec III	3.0000	1.0000	1.0000	1.0000	-
F01	C01	27 Mgmt/Budget Spec IV	1.0000	1.0000	1.0000	1.0000	-
SUBTOTAL			10.7500	10.7500	10.7500	11.7500	1.0000
TOTAL POSITIONS			10.7500	10.7500	10.7500	11.7500	1.0000

Division of Financial Services



F.T.E. Positions 8.0

*In addition, this chart includes positions funded by the Employee Benefits Trust Fund.

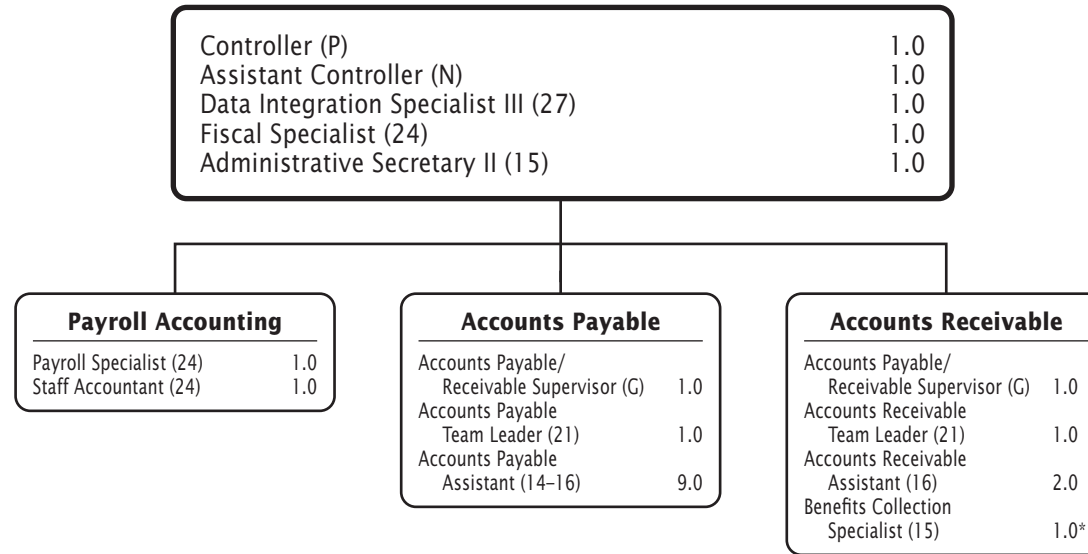
Division of Financial Services

OBJECT OF EXPENDITURE	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
POSITIONS (FTE)					
Administrative	1.0000	1.0000	1.0000	1.0000	-
Business / Operations Admin	-	-	-	-	-
Professional	-	-	-	-	-
Supporting Services	4.0000	4.0000	4.0000	5.0000	1.0000
TOTAL POSITIONS (FTE)	5.0000	5.0000	5.0000	6.0000	1.0000
POSITIONS DOLLARS					
Administrative	96,116	129,392	129,392	129,392	-
Business / Operations Admin	-	-	-	-	-
Professional	-	-	-	-	-
Supporting Services	423,029	439,392	439,392	491,195	51,803
TOTAL POSITIONS DOLLARS	\$519,145	\$568,784	\$568,784	\$620,587	\$51,803
OTHER SALARIES					
Extracurricular Salary	-	-	-	-	-
Other Non Position Salaries	-	-	-	-	-
Professional Part time	-	-	-	-	-
Supporting Services Part-time	268	-	-	730	730
Stipends	-	-	-	-	-
Substitutes	-	-	-	-	-
Summer Employment	-	-	-	-	-
TOTAL OTHER SALARIES	\$268	-	-	\$730	\$730
TOTAL SALARIES & WAGES	\$519,413	\$568,784	\$568,784	\$621,317	\$52,533
CONTRACTUAL SERVICES					
Consultants	-	-	-	-	-
Other Contractual	-	-	-	-	-
TOTAL CONTRACTUAL SERVICES	-	-	-	-	-
SUPPLIES & MATERIALS					
Instructional Materials	-	-	-	-	-
Media	-	-	-	-	-
Other Supplies and Materials	9,557	10,500	10,500	7,914	(2,586)
Textbooks	-	-	-	-	-
TOTAL SUPPLIES & MATERIALS	\$9,557	\$10,500	\$10,500	\$7,914	(\$2,586)
OTHER COSTS					
Insurance and Employee Benefits	-	-	-	-	-
Extracurricular Purchases	-	-	-	-	-
Other Systemwide Activity	3,375	3,700	3,700	5,500	1,800
Travel	3	300	300	300	-
Utilities	-	-	-	-	-
TOTAL OTHER COSTS	\$3,378	\$4,000	\$4,000	\$5,800	\$1,800
FURNITURE & EQUIPMENT					
Equipment	-	-	-	-	-
Leased Equipment	-	-	-	-	-
TOTAL FURNITURE & EQUIPMENT	-	-	-	-	-
GRAND TOTAL AMOUNTS	\$532,348	\$583,284	\$583,284	\$635,031	\$51,747

Division of Financial Services

			FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
FUND	CAT	DESCRIPTION	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
Division of Financial Services							
F01	C01	P Director I (C)	1.0000	1.0000	1.0000	1.0000	-
F01	C01	26 Senior Accountant	1.0000	1.0000	1.0000	1.0000	-
F01	C01	24 Staff Accountant	2.0000	2.0000	2.0000	2.0000	-
F01	C01	16 Fiscal Assistant III	-	-	-	1.0000	1.0000
F01	C01	15 Admin Secretary II	1.0000	1.0000	1.0000	1.0000	-
SUBTOTAL			5.0000	5.0000	5.0000	6.0000	1.0000
TOTAL POSITIONS			5.0000	5.0000	5.0000	6.0000	1.0000

Division of Controller



F.T.E. Positions 23.0

*In addition, this chart includes a position funded by the Employee Benefits Trust Fund.

FY 2024 OPERATING BUDGET

Division of Controller

OBJECT OF EXPENDITURE	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
POSITIONS (FTE)					
Administrative	2.0000	2.0000	2.0000	2.0000	-
Business / Operations Admin	2.0000	2.0000	2.0000	2.0000	-
Professional	-	-	-	-	-
Supporting Services	17.0000	18.0000	18.0000	18.0000	-
TOTAL POSITIONS (FTE)	21.0000	22.0000	22.0000	22.0000	-
POSITIONS DOLLARS					
Administrative	239,292	276,614	276,614	276,614	-
Business / Operations Admin	203,043	188,485	188,485	188,485	-
Professional	-	-	-	-	-
Supporting Services	1,181,420	1,360,075	1,360,075	1,383,505	23,430
TOTAL POSITIONS DOLLARS	\$1,623,755	\$1,825,174	\$1,825,174	\$1,848,604	\$23,430
OTHER SALARIES					
Extracurricular Salary	-	-	-	-	-
Other Non Position Salaries	(52,966)	-	-	-	-
Professional Part time	-	-	-	-	-
Supporting Services Part-time	52,203	13,623	13,623	13,623	-
Stipends	-	-	-	-	-
Substitutes	-	-	-	-	-
Summer Employment	-	-	-	-	-
TOTAL OTHER SALARIES	(\$764)	\$13,623	\$13,623	\$13,623	-
TOTAL SALARIES & WAGES	\$1,622,991	\$1,838,797	\$1,838,797	\$1,862,227	\$23,430
CONTRACTUAL SERVICES					
Consultants	-	-	-	-	-
Other Contractual	7,900	3,000	3,000	3,000	-
TOTAL CONTRACTUAL SERVICES	\$7,900	\$3,000	\$3,000	\$3,000	-
SUPPLIES & MATERIALS					
Instructional Materials	-	-	-	-	-
Media	-	-	-	-	-
Other Supplies and Materials	22,987	25,691	25,691	25,691	-
Textbooks	-	-	-	-	-
TOTAL SUPPLIES & MATERIALS	\$22,987	\$25,691	\$25,691	\$25,691	-
OTHER COSTS					
Insurance and Employee Benefits	-	-	-	-	-
Extracurricular Purchases	-	-	-	-	-
Other Systemwide Activity	(117,985)	43,104	43,104	(50,135)	(93,239)
Travel	-	564	564	564	-
Utilities	-	-	-	-	-
TOTAL OTHER COSTS	(\$117,985)	\$43,668	\$43,668	(\$49,571)	(\$93,239)
FURNITURE & EQUIPMENT					
Equipment	457,652	7,524	7,524	7,524	-
Leased Equipment	11,913	-	-	-	-
TOTAL FURNITURE & EQUIPMENT	\$469,565	\$7,524	\$7,524	\$7,524	-
GRAND TOTAL AMOUNTS	\$2,005,457	\$1,918,680	\$1,918,680	\$1,848,871	(\$69,809)

Division of Controller

			FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
FUND	CAT	DESCRIPTION	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
Division of Controller							
F01	C01	P Controller	1.0000	1.0000	1.0000	1.0000	
F01	C01	N Assistant Controller	1.0000	1.0000	1.0000	1.0000	-
F01	C01	G AP/AR Supervisor	2.0000	2.0000	2.0000	2.0000	-
F01	C01	15 Admin Secretary II	1.0000	1.0000	1.0000	1.0000	-
F01	C01	23 Data Integration Spec	1.0000	-	-	-	-
F01	C01	27 Data Integration Specialist III	-	1.0000	1.0000	1.0000	-
F01	C01	24 Payroll Specialist	1.0000	1.0000	1.0000	1.0000	-
F01	C01	21 Accts Receivable Team Leader	-	-	-	1.0000	1.0000
F01	C01	21 Accts Payable Team Leader	1.0000	1.0000	1.0000	1.0000	-
F01	C01	14 - 16 Accounts Payable Asst	9.0000	9.0000	9.0000	9.0000	-
F01	C01	16 Accounts Receivable Asst	2.0000	2.0000	2.0000	2.0000	-
F01	C01	24 Staff Accountant	1.0000	1.0000	1.0000	1.0000	-
F01	C01	24 Fiscal Specialist	-	1.0000	1.0000	1.0000	-
F01	C02	15 Account Assistant IV	1.0000	1.0000	1.0000	-	(1.0000)
SUBTOTAL			21.0000	22.0000	22.0000	22.0000	-
TOTAL POSITIONS			21.0000	22.0000	22.0000	22.0000	-

Division of Procurement

Director I (P)	1.0
Business Services Analyst (23)	1.0
Buyer II (22)	4.0
Contract Administrator (20)	2.0
Buyer I (18)	3.0
Buyer Assistant II (14)	3.0

Division of Procurement

OBJECT OF EXPENDITURE	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
POSITIONS (FTE)					
Administrative	1.0000	1.0000	1.0000	1.0000	-
Business / Operations Admin	-	-	-	-	-
Professional	-	-	-	-	-
Supporting Services	12.0000	13.5000	13.5000	13.0000	(0.5000)
TOTAL POSITIONS (FTE)	13.0000	14.5000	14.5000	14.0000	(0.5000)
POSITIONS DOLLARS					
Administrative	111,564	134,568	134,568	134,568	-
Business / Operations Admin	-	-	-	-	-
Professional	-	-	-	-	-
Supporting Services	979,624	1,140,264	1,140,264	1,103,823	(36,441)
TOTAL POSITIONS DOLLARS	\$1,091,188	\$1,274,832	\$1,274,832	\$1,238,391	(\$36,441)
OTHER SALARIES					
Extracurricular Salary	-	-	-	-	-
Other Non Position Salaries	-	-	-	-	-
Professional Part time	-	-	-	-	-
Supporting Services Part-time	6,175	-	-	-	-
Stipends	-	-	-	-	-
Substitutes	-	-	-	-	-
Summer Employment	-	-	-	-	-
TOTAL OTHER SALARIES	\$6,175	-	-	-	-
TOTAL SALARIES & WAGES	\$1,097,363	\$1,274,832	\$1,274,832	\$1,238,391	(\$36,441)
CONTRACTUAL SERVICES					
Consultants	-	-	-	-	-
Other Contractual	179	450	450	450	-
TOTAL CONTRACTUAL SERVICES	\$179	\$450	\$450	\$450	-
SUPPLIES & MATERIALS					
Instructional Materials	-	-	-	-	-
Media	-	-	-	-	-
Other Supplies and Materials	14,865	6,200	6,200	6,200	-
Textbooks	-	-	-	-	-
TOTAL SUPPLIES & MATERIALS	\$14,865	\$6,200	\$6,200	\$6,200	-
OTHER COSTS					
Insurance and Employee Benefits	-	-	-	-	-
Extracurricular Purchases	-	-	-	-	-
Other Systemwide Activity	-	5,625	5,625	5,625	-
Travel	1,919	470	470	470	-
Utilities	-	-	-	-	-
TOTAL OTHER COSTS	\$1,919	\$6,095	\$6,095	\$6,095	-
FURNITURE & EQUIPMENT					
Equipment	-	-	-	-	-
Leased Equipment	-	-	-	-	-
TOTAL FURNITURE & EQUIPMENT	-	-	-	-	-
GRAND TOTAL AMOUNTS	\$1,114,326	\$1,287,577	\$1,287,577	\$1,251,136	(\$36,441)

Division of Procurement

			FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
FUND	CAT	DESCRIPTION	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
Division of Procurement							
F01	C01	P Director I (S)	-	1.0000	1.0000	1.0000	-
F01	C01	M Team Leader	1.0000	-	-	-	-
F01	C01	23 Business Services Analyst	1.0000	1.0000	1.0000	1.0000	-
F01	C01	22 Buyer II	3.0000	4.0000	4.0000	4.0000	-
F01	C01	20 Contract Administrator	1.0000	1.0000	1.0000	2.0000	1.0000
F01	C01	18 Buyer I	3.0000	3.0000	3.0000	3.0000	-
F01	C01	16 Materials Mgmt Supp Spec	1.0000	1.0000	1.0000	-	(1.0000)
F01	C01	14 Buyer's Assistant II	3.0000	3.0000	3.0000	3.0000	-
F01	C01	13 Materials Property Asst	-	0.5000	0.5000	-	(0.5000)
SUBTOTAL			13.0000	14.5000	14.5000	14.0000	(0.5000)
TOTAL POSITIONS			13.0000	14.5000	14.5000	14.0000	(0.5000)

Department of Employee and Retiree Services

33401

MISSION The Department of Employee and Retiree Services, also referred to as the Employee and Retiree Service Center (ERSC), administers comprehensive compensation and benefits, and other related programs that support success for every student through the role of employee compensation and benefits in attracting and retaining highly-qualified staff. ERSC provides high-quality services to schools, employees, and retirees by ensuring broad access to accurate and timely information, using a fully integrated suite of business applications that include the Human Resources Information System (HRIS) and the Lifeworks Retirement System.

MAJOR FUNCTIONS

ERSC is a single point of contact for Montgomery County Public Schools (MCPS) employees and retirees for information about compensation and benefits. ERSC provides administration of employee programs such as payroll, health and retirement benefits, leave, salary administration, and workforce reporting. Smooth and effective operations of these functions are critical to providing prompt and accurate responses to employees' questions and needs. ERSC operates a call center, transactions unit, and communications program; provides support for policy implementation, and continually expands the use of technology to improve service and efficiency. The introduction and continued expansion of employee self-service applications have improved employee access to data, benefits enrollment, paystub, and tax forms, supporting employees' ability to focus their efforts and attention on the needs of students and schools.

In FY 2022, ERSC staff collaborated with various stakeholders from across MCPS to select a modern and comprehensive Human Capital Management (HCM) System to support efficient operations. In FY 2023, ERSC staff will continue the collaboration in the implementation of the HCM System, and will complete the HCM implementation in FY 2024.

Payroll *(Professional and Operational Excellence)*

The Payroll Unit ensures all employees are paid accurately and promptly for the work performed in compliance with federal, state, and local regulations, and contractual mandates. The Payroll Unit processes over 27,000 payments every pay period along with special payments to support COVID-19 recovery operations and negotiated agreements. The unit prepares and disseminates information about pay schedules, payroll posting instructions, and conducts training for principals, directors, and timekeepers.

Benefits Strategy and Vendor Relations *(Well-being and Family Engagement; Professional and Operational Excellence)*

This unit designs, develops, and implements high-quality health care plans at competitive prices for all benefit-eligible employees and retirees. The unit oversees benefit plan provision implementation and ensures uninterrupted operations for our customer base of over 50,000 covered individuals, including both current employees and retirees.

This unit prepares and disseminates information about health care plan provisions, maintains and analyzes statistical and demographic data, tracks plan utilization and expense data, remits monthly premiums to vendors, and oversees all benefit plan-related contracts. In addition, the unit manages required filings with the Internal Revenue Service to maintain qualified plan status and oversees banking and cash management arrangements for the Employee Benefits Program. The unit also coordinates MCPS retiree benefits with Medicare.

This unit implements and manages the MCPS employee wellness program. The mission of the employee wellness program is to establish a work environment that promotes healthy lifestyles, decreases the risk of disease, enhances the quality of life, and recognizes employee health and wellness as a cultural priority in the long-term success of MCPS as a whole. This program encourages strengthening health and well-being through convenient access to educational opportunities, wellness activities, behavioral change programs, and awareness events. The wellness initiative program is designed to inform employees covered by an MCPS-provided medical insurance plan about their health and help them reduce their share of health insurance premiums.

Compensation and Transactions *(Professional and Operational Excellence)*

The unit designs, develops, and implements compensation provisions in all the negotiated contracts approved

Department of Employee and Retiree Services

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by the Board of Education and the three employee associations. This unit works closely with the Department of Human Capital Management, Division of Management and Budget, Office of Special Education, schools, and various other units across the system to ensure timely and accurate processing of over 10,000 transactions entered in the Human Resource Information System each fiscal year. In addition, the unit works directly with customers to process various employment-related requests.

Leave Administration *(Professional and Operational Excellence)*

The unit implements leave provisions in all the negotiated contracts approved by the Board of Education and the three employee associations while adhering to federal, state, and local guidelines. The unit works closely with the Department of Human Capital Management, schools, Employee Engagement and Labor Relations, and various other units across the system. In addition, the unit works directly with customers to process leave requests and answer various questions through individual customer support. The unit also is responsible for administering the workers' compensation process for workplace injuries. The unit processes over 4,000 leave applications each fiscal year. The leave unit responds and manages new initiatives established by MCPS and outside parties alike. In FY 2024, the unit will continue to support the COVID leave provisions negotiated in the impact bargain agreement between MCPS and the employee associations.

Retirement *(Professional and Operational Excellence)*

This unit equitably administers the provisions of Maryland State and MCPS Retirement and Pension plans to all pension-eligible employees. The retirement team works closely with the Maryland State Retirement Agency, MCPS schools, and offices to ensure that all pension-eligible employees are accurately enrolled in appropriate plans, and their retirement contributions and service credits are accurately tracked and reported. The retirement team disseminates information about the pension plan provision, prepares annual retirement statements for 26,000 employees, valuation data for actuaries, and maintains and implements the retirement system for the MCPS Core and Supplemental Pension Plan. This team counsels 200-450 employees each month and provides customer support to employees and retirees based on their individual retirement needs. This team processes over 1,000 applications for State Pension enrollment and 800 applications for retirement each fiscal year to ensure timely pension payments. This team also responds to an average of 9,000 retirement-related telephone and email inquiries each fiscal year. In addition, this team offers

seminars on planning for retirement both in-person and online. This team works closely with Aetna Inc. to implement the annual cost of living adjustments to the pension payment of 15,000 retirees.

Call Center *(Professional and Operational Excellence)*

The Call Center and the front desk are the first points of contact for ERSC customers. The unit is committed to excellent customer service by providing accurate and current information to employees, retirees, and other stakeholders. The unit handles an average of over 70,000 phone calls and more than 36,000 e-mails each fiscal year. In addition, the unit serves over 900 customers at the front desk of the Call Center each month.

Technology and Communication *(Professional and Operational Excellence)*

This unit provides federal, state, local, and other regulatory reporting, audits, surveys, and workforce reporting to internal and external stakeholders including fulfilling requests via the *Freedom of Information Act* and *Maryland Public Information Act*. In addition, this unit fosters cooperation and collaboration, and provides technical support for current operations to all units within ERSC – Benefits and Wellness, Payroll, Retirement, Call Center, Leave and Workers Compensation, and Salary and Position administration. The unit strives to scale technology to drive innovation initiatives forward, support changes, and create efficiencies and continuous process improvements. The communication specialist maintains a comprehensive website for the department and creates comprehensive materials to communicate benefits, leave, retirement, compensation, payroll, and wellness programs.

OVERVIEW OF BUDGET CHANGES

FY 2023 CURRENT BUDGET

The current FY 2023 budget for this department is changed from the budget adopted by the Board of Education on June 7, 2022. The change is the result of a technical, budget neutral adjustment resulting in an increase of 0.25 for a senior specialist, position and salary administration, position.

Department of Employee and Retiree Services

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FY 2024 RECOMMENDED BUDGET

The FY 2024 recommended budget for this office is \$659,158,925, an increase of \$48,396,182 over the current FY 2023 budget. An explanation of this change follows.

Same Service Level Changes—\$45,192,877

Continuing Salary Costs—\$13,838,180

For FY 2024 lapse and turnover, the amount of unused budgeted salary that remains when an employee terminates service and is not immediately replaced or an employee terminates service and the backfill is hired at a lower salary, was calculated at \$40,309,617. For FY 2023, all three of our employee associations are under agreements that will expire on June 30, 2023. In addition, negotiations began in October 2022 with each employee association on new contracts to be effective July 1, 2024, and are continuing as of this publication. While the final terms of these contracts have not yet been agreed on, in order to plan for the requirements of the FY 2024 Operating Budget, funds are included in this budget to support the FY 2024 negotiated agreements once they are finalized. This includes \$13,838,180 for employee benefits, resulting in increases of \$409,685 for workers' compensation, \$8,116,243 for social security contributions, and \$5,312,252 for retirement contributions. Depending on the outcome of negotiations, a budget amendment may be needed to either add funds or realign funds from other areas.

Student Enrollment—\$3,936,438

The budget includes an increase for employee benefits related to current student enrollment projections, budgeted salaries, and adjustments to positions related to changes in student enrollment, resulting in an increase of \$50,880 for workers' compensation, \$965,828 for social security contributions, \$2,461,810 for employee health benefits, and \$457,920 for retirement contributions. There is a total increase of 238.0202 positions related to changes in student enrollment.

New Schools/Space—\$1,001,161

Due to the August 2023 opening of the new Clarksburg Cluster Elementary School #9, as well as changes resulting from additional square footage and the modernization of facilities, 57.94 positions are added to the budget. The staffing increases result in an additional \$12,732 for workers' compensation, \$257,782 for social security contributions, \$616,055 for employee health benefits, and \$114,592 for retirement contributions.

Employee Health Benefits—\$19,200,000

Health and life insurance coverage for current active and retired employees and their families is provided through the Employee Benefit Plan. The health and life insurance budget for FY 2024 will increase by \$15.0 million for active employees. The MCPS Employees Group Insurance Fund's beginning balance in FY 2023 was \$15.2 million. The request of \$15.0 million will be used to cover medical and prescription drug costs, while also allowing the funds to maintain a small reserve balance by the end of FY 2024.

In addition, as a result of changing health benefit plan providers from CareFirst to Cigna effective January 1, 2023, \$4.2 million is included in the budget to address the impact of plan rate increases covered by the district.

State Retirement Contributions—\$6,761,546

There is an increase in the Local Boards of Education share of the Maryland Retirement and Pension System rate from 4.17 percent to 5.12 percent, requiring an increase of \$6,761,546 to the budget to meet the current state retirement obligation.

Realignments to Meet Expenditure Requirements and Program Priorities—\$334,876

There are several realignments budgeted to address priority spending needs within this department, resulting in decreases of \$65,751 from a 1.0 payroll specialist position, \$1,812 from supporting services part-time salaries, \$3,697 from clerical overtime, \$2,585 from contractual services, and \$7,500 from office supplies, to fund a 1.0 data integration specialist II position, which will provide critical data and technical support to the payroll team within this department. In addition, \$5,787 is realigned within this chapter from the Office of Finance to this department to help fund this additional position.

Furthermore, due to the need to realign funds to add or reduce position and non-position salaries within specific organizational units, there are increases of \$6,146 for workers' compensation, \$297,369 for employee health benefits, and \$55,314 for retirement contributions, with an offsetting decrease of \$29,740 for social security contributions.

Grant Shifts—\$120,676

Due to funding changes and program needs for grant funded projects, there are increases of \$1,569 for workers' compensation, \$29,083 for social security contributions, \$75,905 for employee health benefits and \$14,119 for retirement contributions.

Department of Employee and Retiree Services

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Efficiencies and Reductions—(\$246,932)

The budget includes overall efficiencies and reductions totaling \$3.4 million. Included in this amount is a reduction of \$246,932 in employee benefits associated with the elimination of 6.0 positions and part-time salaries. This includes reductions of \$2,353 for workers' compensation, \$109,551 for social security contributions, \$113,851 for employee health benefits and \$21,177 for retirement contributions.

Strategic Accelerator—\$3,450,237

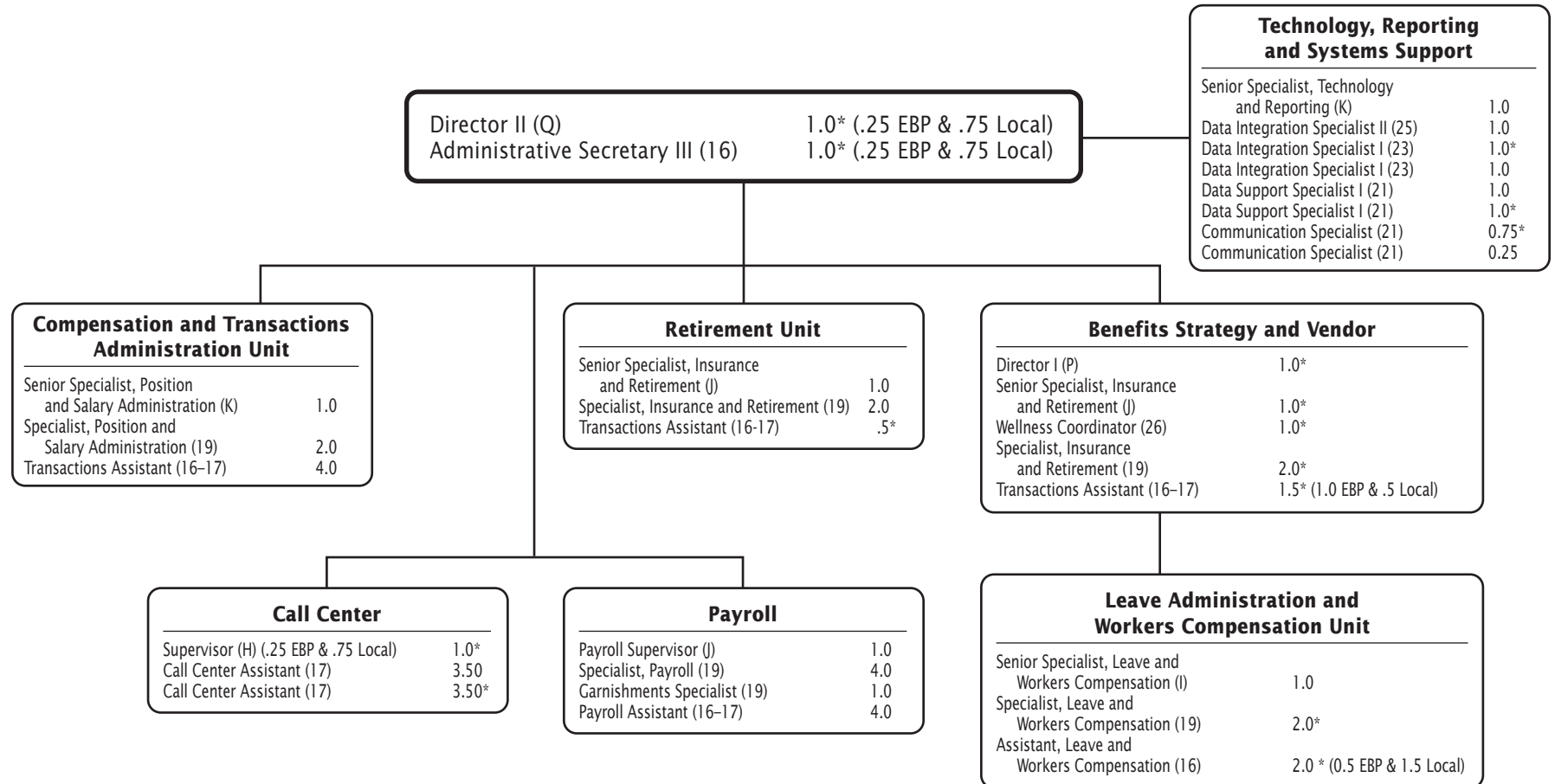
Details on increases for strategic accelerators are included in the relative chapters of the operating budget. As a result, there is an increase of \$38,695 for workers' compensation, \$995,489 in social security contributions, \$1,872,249 for employee health benefits, and \$348,256 for retirement contributions.

Selected Expenditure Information

Description	FY 2023 CURRENT	FY 2024 REQUEST	FY 2024 CHANGE
*Worker's Compensation	\$20,002,920	\$20,522,637	\$519,717
Fire/Other Self- Insurance	5,048,250	5,048,250	-
Social Security	135,736,453	146,019,165	10,282,712
Employee Benefit - Active	279,386,717	303,910,593	24,523,876
Employee Benefit - Retirees	28,680,337	28,680,337	-
Retirement and Administrative Fees	72,343,654	78,646,198	6,302,544
State Retirement Contribution	65,344,987	72,106,533	6,761,546
Unemployment Compensation	212,868	212,868	-
Other	<u>1,350,745</u>	<u>1,350,745</u>	<u>-</u>
Total	<u><u>\$608,106,931</u></u>	<u><u>\$656,497,326</u></u>	<u><u>\$48,390,395</u></u>

*Worker's Compensation for Food Services is shown in the program mission summary under the Department of Materials Management; and auto liability for Self-Insurance is shown under the Department of Transportation. The FY 2024 recommended budget is \$1,723,759 and is unchanged from the FY 2023 budget.

Department of Employee and Retiree Services



F.T.E. Positions 49.0

* In addition, the chart includes positions funded by the Employee Benefits Trust Fund.

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OBJECT OF EXPENDITURE	FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
POSITIONS (FTE)					
Administrative	0.7500	0.7500	0.7500	0.7500	-
Business / Operations Admin	5.5000	5.5000	5.7500	5.7500	-
Professional	-	-	-	-	-
Supporting Services	26.5000	26.5000	26.5000	26.5000	-
TOTAL POSITIONS (FTE)	32.7500	32.7500	33.0000	33.0000	-
POSITIONS DOLLARS					
Administrative	1,923,472	125,499	125,499	125,499	-
Business / Operations Admin	589,077	593,877	593,877	593,877	-
Professional	-	-	-	-	-
Supporting Services	1,644,369	1,824,313	1,824,313	1,845,694	21,381
TOTAL POSITIONS DOLLARS	\$4,156,918	\$2,543,689	\$2,543,689	\$2,565,070	\$21,381
OTHER SALARIES					
Extracurricular Salary	-	-	-	-	-
Other Non Position Salaries	(1,305,748)	-	-	-	-
Professional Part time	-	-	-	-	-
Supporting Services Part-time	63,149	70,509	70,509	65,000	(5,509)
Stipends	-	-	-	-	-
Substitutes	-	-	-	-	-
Summer Employment	-	-	-	-	-
TOTAL OTHER SALARIES	(\$1,242,598)	\$70,509	\$70,509	\$65,000	(\$5,509)
TOTAL SALARIES & WAGES	\$2,914,320	\$2,614,198	\$2,614,198	\$2,630,070	\$15,872
CONTRACTUAL SERVICES					
Consultants	-	-	-	-	-
Other Contractual	2,787	9,585	9,585	7,000	(2,585)
TOTAL CONTRACTUAL SERVICES	\$2,787	\$9,585	\$9,585	\$7,000	(\$2,585)
SUPPLIES & MATERIALS					
Instructional Materials	-	-	-	-	-
Media	-	-	-	-	-
Other Supplies and Materials	42,159	27,500	27,500	20,000	(7,500)
Textbooks	-	-	-	-	-
TOTAL SUPPLIES & MATERIALS	\$42,159	\$27,500	\$27,500	\$20,000	(\$7,500)
OTHER COSTS					
Insurance and Employee Benefits	582,659,029	607,956,931	607,956,931	656,347,326	48,390,395
Extracurricular Purchases	-	-	-	-	-
Other Systemwide Activity	68	1,725	1,725	1,725	-
Travel	38,588	152,804	152,804	152,804	-
Utilities	-	-	-	-	-
TOTAL OTHER COSTS	\$582,697,684	\$608,111,460	\$608,111,460	\$656,501,855	\$48,390,395
FURNITURE & EQUIPMENT					
Equipment	-	-	-	-	-
Leased Equipment	(23,561)	-	-	-	-
TOTAL FURNITURE & EQUIPMENT	(\$23,561)	-	-	-	-
GRAND TOTAL AMOUNTS	\$585,633,389	\$610,762,743	\$610,762,743	\$659,158,925	\$48,396,182

Department of Employee and Retiree Services

			FY 2022	FY 2023	FY 2023	FY 2024	FY 2024
FUND	CAT	DESCRIPTION	ACTUAL	BUDGET	CURRENT	REQUEST	CHANGE
Department of Employee and Retiree Services							
F01	C01	Q Director II (C)	0.7500	0.7500	0.7500	0.7500	-
F01	C01	K Sr Spec Tech & Reporting	1.0000	1.0000	1.0000	1.0000	-
F01	C01	K Sr Spec Pos & Sal Admin	0.7500	0.7500	1.0000	1.0000	-
F01	C01	J Sr Spec Insrnce/Retirement	1.0000	1.0000	1.0000	1.0000	-
F01	C01	J Payroll Supervisor	1.0000	1.0000	1.0000	1.0000	-
F01	C01	I Sr Spec Lve Adm & Wkr Comp	1.0000	1.0000	1.0000	1.0000	-
F01	C01	H Supervisor, Call Center	0.7500	0.7500	0.7500	0.7500	-
F01	C01	25 Data Integration SpecII	-	-	-	1.0000	1.0000
F01	C01	23 Data Integration Spec	1.0000	1.0000	1.0000	1.0000	-
F01	C01	21 Data Support Specialist I	1.0000	1.0000	1.0000	1.0000	-
F01	C01	21 Commnctn Spec/Web Producer	0.2500	0.2500	0.2500	0.2500	-
F01	C01	19 Specialist Payroll	5.0000	5.0000	5.0000	4.0000	(1.0000)
F01	C01	19 Spec Position & Sal Admin	2.0000	2.0000	2.0000	2.0000	-
F01	C01	19 Spec Insurance & Retirem	2.0000	2.0000	2.0000	2.0000	-
F01	C01	19 Garnishment Specialist	1.0000	1.0000	1.0000	1.0000	-
F01	C01	17 Call Center Assistant	-	3.5000	3.5000	3.5000	-
F01	C01	16-17 Transactions Assistant I	8.0000	4.5000	4.5000	4.5000	-
F01	C01	16-17 Payroll Assistant	4.0000	4.0000	4.0000	4.0000	-
F01	C01	16 Asst Leave Admin/Wrks Comp	1.0000	1.5000	1.5000	1.5000	-
F01	C01	16 Admin Secretary III	0.7500	0.7500	0.7500	0.7500	-
F01	C01	14 Administrative Secretary I	0.5000	-	-	-	-
SUBTOTAL			32.7500	32.7500	33.0000	33.0000	-
TOTAL POSITIONS			32.7500	32.7500	33.0000	33.0000	-