Date: February 26, 2003

To: Board of Education

From: Dr. J. Hairston, Superintendent

Subject: Supplemental Appropriation and Budget Appropriation Transfer - Private Placement

Originator: J. Robert Haines, Deputy Superintendent, Business Services

Resource Staff: Barbara S. Burnopp, Executive Director, Fiscal Services
               Michael J. Goodhues, Director, Office of Budget and Reporting

Recommendation

That the Board of Education approve a supplemental appropriation from State and other revenue sources, and a budget appropriation transfer from the Fixed Charges and Instructional Salary categories to fund a projected shortfall in Private Placement costs.

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### BALTIMORE COUNTY PUBLIC SCHOOLS
**BUDGET SUPPLEMENT**

**Number:** 02-03  
**Date:** 02/19/03  
**Fund:** General

<table>
<thead>
<tr>
<th>Category</th>
<th>Present Appropriation</th>
<th>Supplement</th>
<th>New Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>06-Special Education</td>
<td>97,057,516</td>
<td>3,347,441</td>
<td>100,404,957</td>
</tr>
</tbody>
</table>

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</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>253,678,516</td>
<td>3,117,441</td>
<td>256,795,957</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>10,794,525</td>
<td>230,000</td>
<td>11,024,525</td>
</tr>
</tbody>
</table>

**Total Supplement** 3,347,441

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**Explanation:**
This request is to authorize $3.3 million of increased revenue to the FY03 General Fund budget from two sources. State Private Placement Revenues are expected to increase $3.1 million to $14.4 million and miscellaneous revenues are expected to increase $230,000. These funds along with transfers from teacher salary savings and fixed charges (see transfer 01/03), will be used to offset a $5.1 million increase in private placement costs.

**Signatures Required:**
- **Budget and Reporting**
- **Fiscal Services**
- **Superintendent**
- **Board of Education**
Baltimore County Public Schools
FY2003 Revenue Supplement

Revenue Sources

Private Placement - The State's contribution to fund the cost of placing Baltimore County students in private placement programs is expected to increase by $3,117,441, from $11,298,204 to $14,415,645.

Other Non-Local funds - Miscellaneous revenues are projected to be $230,000 above the $800,000 original appropriation.

Category Expenditures

Special Education - Costs for private placement are projected to increase $5,120,518, from $22,929,799 to $28,050,317. This supplement will provide the funding for the State portion of this increase and $230,000 of the local contribution. The remainder of the local contribution will be offset through a combination of salary savings and transfers from the Instructional Salaries and Fixed Charges categories (see transfer 01/03).
# BALTIMORE COUNTY PUBLIC SCHOOLS
## BUDGET APPROPRIATION TRANSFER

<table>
<thead>
<tr>
<th>Category</th>
<th>Present Appropriation</th>
<th>Amount to Transfer</th>
<th>New Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>06-Special Education</td>
<td>100,404,957</td>
<td>1,400,000</td>
<td>101,804,957</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Present Appropriation</th>
<th>Amount to Transfer</th>
<th>New Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>03-Instructional Salaries</td>
<td>333,116,756</td>
<td>600,000</td>
<td>332,516,756</td>
</tr>
<tr>
<td>12-Fixed Charges</td>
<td>149,799,832</td>
<td>800,000</td>
<td>148,999,832</td>
</tr>
</tbody>
</table>

**Total Transfer**

- **INCREASE:** 1,400,000
- **DECREASE:** 1,400,000

## Explanation:

### Increase:
This transfer will provide additional funding to the Special Education category to offset the increased costs of providing Private Placement services to students. These costs are expected to increase $5.1 million over current appropriations, $2.0 of which must be provided by local funds.

### Decreases:
The 02-Instructional Salaries category is projected to have savings of $600,000 due to greater than anticipated turnover savings.

The 12-Fixed Charges category is projected to have savings of $800,000 due to greater than anticipated reimbursements from the Special Revenue and Food Services funds for employee benefits.

Special Education salary savings of $400,000 are expected to provide the remaining amount and do not require a category transfer.

## Signatures Required:

- **Budget and Reporting**

- **Fiscal Services**

- **Superintendent**

- **Board of Education**
### BALTIMORE COUNTY PUBLIC SCHOOLS
### FY2003 BUDGET APPROPRIATION TRANSFER

#### Summary of Increase by Category

**0006 Special Education - $1,400,000**

The costs of providing Private Placement services to Baltimore County students is expected to be $5,120,518 more than the amount originally budgeted. Of this amount, $3,117,441 will be funded by additional State revenue (see supplement 02/03), $230,000 will be from additional miscellaneous revenue (see supplement 02/03), $400,000 will be provided by salary savings in the Special Education category, with the remaining $1,400,000 transferred from the Instructional Salaries and Fixed Charges categories.

#### Summary of Decreases by Category

**0003 Instructional Salaries and Wages - $600,000**

$600,000 is projected to be available in Instructional Salaries due to turnover savings greater than the amount originally budgeted.

**0012 Fixed Charges - $800,000**

$800,000 is projected to be available due to greater than anticipated reimbursements from the Special Revenue and Food Services funds for employee benefits.