

**BALTIMORE COUNTY PUBLIC SCHOOLS**

**DATE:** May 8, 2007

**TO:** **BOARD OF EDUCATION**

**FROM:** Dr. Joe A. Hairston, Superintendent

**SUBJECT:** **MSDE BIANNUAL FINANCIAL STATUS REPORT FOR PERIOD  
ENDING MARCH 31, 2007**

**ORIGINATOR:** J. Robert Haines, Deputy Superintendent

**RESOURCE  
PERSON(S):** Barbara Burnopp, Chief Financial Officer  
Patrick Fannon, Controller

**INFORMATION**

As a result of SB894, Baltimore County Public Schools is required to submit a biannual report of its financial status.

Attachments – MSDE Biannual Financial Status Report for Period Ending March 31, 2007

Bi-Annual Reporting Required Under Senate Bill 894  
 Period - Nine Months Ended March 31,2007  
 Percent of Fiscal Year Elapsed 75%

Local School System: Board of Education of Baltimore County - FISCAL YEAR 2007

TOTAL SUMMARY BY REVENUE SOURCE FOR CURRENT EXPENSE FUND (GENERAL FUND)

Revenue Category	Approved Budget	Year-to-Date Revenues	Anticipated Revenues	Projected Total Revenues	Percent of Budget Received to Date *
Local Appropriation	\$ 606,237,744	\$ 431,706,352	\$ 174,531,392	\$ 606,237,744	71.2%
Other Local Revenue	7,411,000	5,898,381	1,512,619	7,411,000	79.6%
State Revenue	438,286,990	354,810,971	83,476,019	438,286,990	81.0%
Federal Revenue					
Other Resources/Transfers	8,139,941	8,139,941		8,139,941	100.0%
<b>Total Revenue</b>	<b>\$ 1,060,075,675</b>	<b>\$ 800,555,645</b>	<b>\$ 259,520,030</b>	<b>\$ 1,060,075,675</b>	<b>75.5%</b>

TOTAL EXPENDITURE SUMMARY BY CATEGORY FOR CURRENT EXPENSE FUND (GENERAL FUND)

Category	Approved Budget	Year-to-Date Actual Expenditures	Encumbrances/Obligations	Available Balance	Percent of Budget Spent/Obligated **
201 Administration	\$ 29,101,110	\$ 19,464,533	\$ 2,343,833	\$ 7,292,744	74.9%
202 Mid-level Administration	-	-	-	-	
Office of the Principal	58,075,415	42,767,555	205,209	15,102,651	74.0%
Administration & Supervision	11,166,685	7,760,796	117,521	3,288,368	70.6%
203 Instructional Salaries	408,507,122	287,838,429	-	120,668,693	70.5%
204 Textbooks & Instructional Supplies	23,590,928	17,986,934	786,366	4,817,628	79.6%
205 Other Instructional Costs	12,533,156	6,085,052	2,622,235	3,825,869	69.5%
206 Special Education	127,516,910	86,286,363	13,005,177	28,225,370	77.9%
207 Student Personnel Services	5,341,116	4,452,341	3,200	885,575	83.4%
208 Health Services	10,962,649	8,031,411	-	2,931,238	73.3%
209 Student Transportation	43,526,465	33,611,147	2,293,281	7,622,037	82.5%
210 Operation of Plant	84,292,378	55,601,526	14,345,426	14,345,426	83.0%
211 Maintenance of Plant	27,234,624	14,109,152	5,945,120	7,180,352	73.6%
212 Fixed Charges	213,502,467	151,433,066	1,368,242	60,701,159	71.6%
213 Food Service				-	
214 Community Services				-	
215 Capital Outlay	4,724,650	3,860,056	379,309	485,285	89.7%
Undistributed Federal Funds				-	
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,060,075,675</b>	<b>\$ 739,288,361</b>	<b>\$ 43,414,919</b>	<b>\$ 277,372,395</b>	<b>73.8%</b>

\* Explanations are required where there is a variance in excess of 10 percentage points between Percent of Budget Received To Date and the percent of the fiscal year elapsed.  
 \*\* Explanations are required where there is a variance in excess of 10 percentage points between Percent of Budget Spent/Obligated and the percent of the fiscal year elapsed.

## **Biannual Reporting Requirements under Senate Bill 894**

Local School System: Board of Education of Baltimore County

Period Ending March 31, 2007 (report due to MSDE by April 30, 2007)

### **Report on Variances of More Than 10%**

As of March 31, 2007, 75% of the fiscal year has elapsed and 70% of the 10-month school year has elapsed. The attached report shows that 75% of revenues have been received and that 74% of the expenditures have been incurred as of March 31, 2007. The overall activity reported is in line with the percentage of the school year completed. There are two categories for which revenues or estimated expenditures and encumbrances have a variance of greater than 10% from the percentage of the fiscal year elapsed. The following information is provided to explain these variances.

#### **REVENUES**

Other Resources/Transfers:

This category represents the re-appropriation of prior year fund balance. The Board budgeted and received approval from the Baltimore County Council to utilize \$8.1 million of the prior year's fund balance, which was recorded as revenue in the reporting period.

#### **OBLIGATIONS (EXPENDITURES AND ENCUMBRANCES)**

215 Capital Outlay

The Capital Outlay category includes expenditures related to the acquisition of land, buildings and equipment. Capital expenditures to date included \$600,000 for the purchase of portable classrooms to provide facilities for the expansion of all day kindergarten programs; and \$1.3 million for the completion of the window replacement project at one of our elementary schools. Both of these expenditures have been incurred at March 31<sup>st</sup> and they account for 81% of the \$2.4 million in non-salary expenditures in this category.

## Biannual Reporting Requirements under Senate Bill 894 Superintendent's Certification

Local School System: Board of Education of Baltimore County

\_\_\_\_ Period Ending November 30, 2006 (report due to MSDE by December 31, 2006)

X Period Ending March 31, 2007 (report due to MSDE by April 30, 2007)

This report reflects the financial status of the system's Current Expense Fund (General Fund).

### Required elements:

- ✓ Revenues, by source (local, State, federal, other)
  - ✓ Expenditures, by category (as defined in the Financial Reporting Manual)
    - Current approved budget
    - Year-to-date actual
    - Encumbered or obligated expenditures
    - Available balance
    - Percent of budget spent or encumbered
  - ✓ Explanations, as necessary, if there is a variance of more than ten percentage points in any category between percent of budget obligated or received to date and percent of fiscal year elapsed
- (Each system may submit the attached template or a similar document that contains all of the required elements listed above.)

Check all that apply:

X The attached schedule of year-to-date revenues and expenditures accurately reflects the financial position of the Board of Education of Baltimore County

X Based on my knowledge of the system's financial position, I **do not** anticipate any issues or problems associated with cash flow during this fiscal year.

X Based on my knowledge of the system's financial position, I **do not** anticipate any issues or problems associated with our ability to operate within our budgeted resources and avoid a deficit situation at the end of the fiscal year.

\_\_\_\_ Based on my knowledge of the system's financial position, I **do** anticipate an issue or problem related to cash flow and/or deficit spending. I have attached a description of the possible problem(s) and a corrective action plan.

\_\_\_\_\_  
Superintendent's signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chair/President, Board of Education's signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chief Financial Officer's signature

\_\_\_\_\_  
Date