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To: Board of Education
From: Mitch Taylor
Date: February 7, 2022
Subject: Agenda Item (Section – Consent Agenda)

Attached you will find a budget amendment for your consideration for the year ending June 30, 2022.

Fiscal Year 2021/2022 Budget Amendment # 5

State Funds

A net increase of $481,214.00 to the State Budget Fund (Fund 1):

$102,408.00 increase to PRC 063 (Special EC Program Funds) - The district received their annual allotment for Special Pre-K EC Program funding. It will be used to contract with related service providers such as an audiologist and speech therapist.

$335,608.00 increase to PRC 056 (Transportation) – The state allocates 80% of the district's funding at the beginning of the school year. This allotment represents the remaining 20% of the yearly funding.

$54.00 increase to PRC 048 (AP/CTE Bonus) – The district received funding for bonus payments to teachers who met the requirements to receive a bonus for student AP test scores or student CTE certifications.

$21,315.00 increase to PRC 048 (Principal Bonus) – The district received funding to pay an $1800.00 bonus to all principals.

$712,365.00 increase in PRC 020 (International Teachers) and a decrease in PRC 001 (Classroom Teachers) – The district requested to transfer state funding from the classroom teacher budget (PRC 001) to the budget for paying international teachers (PRC 020). The district employees 11 international teachers.

$6000.00 increase to PRC 056 (Transportation) – The state provided the district funding to purchase stop arm cameras for 4 school buses.

$21,670.00 increase to PRC 014 (CTE Programming) – The district received additional funds for the Career and Technical Education program.

$5841.00 decrease to PRC 032 (Exceptional Children) – The state reverted funds back to the state because the district's number of EC enrollment declined by 1 student.

Local Funds

2) No change to the Local Fund Budget (Fund 2)

Federal Funds

3) A net increase of $3,427,553.12 to the Federal Budget Fund (Fund 3):

$10,508.00 increase to PRC 171 (ESSER II COVID Relief Funds) – This was a two-part budget amendment. The district received additional funding in the amount of $10,508.00. It also represented a change to the original ESSER II budget as funds were reallocated to support the first two installments of the retention/recruitment bonus.

$3,123,564.00 increase to PRC 181 (ESSER III COVID Relief Funds) – The district received approximately 66% of the ESSER III funding last year and this allotment represents the final portion of the original amount. Like the ESSER II budget, the ESSER III budget was amended to include the year 3 installment of the retention/recruitment bonus scheduled for payment in 2023. In addition, the budget was amended to provide funding to make-up the shortfall in PRC 203 (discussed below) which provided funding for a $1000 bonus to all teachers.

$20,000.00 increase to PRC 183 (Homeless Youth Funding I) – This allotment is a part of the ESSER III funding and the purpose is to provide for the needs of homeless children and youth within the district. Funding has been set aside for clothing, hygiene supplies, transportation, and parent involvement activities.

$30,690.00 increase to PRC 184 (Homeless Youth Funding II) – This allotment is a part of the ESSER III funding and the purpose is to provide for the needs of homeless children and youth within the district. Funding has been set aside for clothing, hygiene supplies, transportation, and parent involvement activities.

$5324.00 increase to PRC 017 (Career and Technical Education Program Improvement) – This is additional funding for improvements to the district's CTE program.

$168.88 decrease to PRC 111 (Language Acquisition) – This funding expired on December 31, 2021. The funding was encumbered for the purchase of supplies, but the order did not ship by the deadline and the funds were reverted to the state.

$31,929.00 increase to PRC 114 (Children with Special Needs – Risk Pool) – this funding will be used to contract with a sign language interpreter to assist our students in need of this service.

$205,707.00 increase to PRC 203 (ESSER III Teacher Bonuses) – In the 2021/2022 NC Budget, it provided for a $1000 bonus to all teachers who were employed as of January 1, 2022 and who had received some type of COVID related training since March 20, 2020. This state required that this bonus be paid by January 31st, 2022, but only provided 80% of the funds needed to pay the bonus to all our teachers. However, the state did allow the district to use other ESSER III funds to make up the 20% shortfall.

Capital Outlay Funds

4) A net increase of $1,096,362.00 to the Capital Outlay Budget Fund (Fund 4):

$92,362.00 increase to PRC 120 (Yellow Bus Lease Payments) – Each year the state replaces the district's yellow school buses that have reached 150,000 miles. The state enters into a lease agreement to purchase these buses,

then provides funding to the district to make the annual lease payment, then subsequently bills the district for the annual payment. This allotment represents this year's lease payment for our new yellow buses.

$900,000.00 increase to PRC 802 (Maintenance, Equipment and Construction) – With funds raised through private donations and county funding, the district is installing a synthetic turf football field at MCHS.

$4000.00 increase to PRC 802 (Maintenance, Equipment and Construction) – This funding was to purchase an ice maker for the field house at the MCHS football field. It is to be paid from the county sales tax fund allotted to the school district.

$100,000.00 increase to PRC 802 (Maintenance, Equipment and Construction) – This represents the final payment for the East Middle School wing addition. It is to be paid from the county sales tax fund allotted to the school district.

Child Nutrition

5) No change to the Child Nutrition Fund. (Fund 5):

Special Local Fund 8

6) A net increase of $1,155,385.00 to the Special Local Fund 8 Budget (Fund 8):

$500,000.00 increase in PRC 175 (ELISS Grant) – This allotment represents a joint effort with Communities in Schools, who received the grant and will utilize Montgomery County Schools to carry out the METAL afterschool program at the middle schools.

$6035.00 increase in PRC 461 (JCPC Grant) – The state awarded Montgomery County Schools an additional allotment in unused funding. The funding will be used to enhance the Strengthening Families and Life Skills programs being offered in our schools.

$200.00 increase in PRC 671 (Technology Fees) – An anonymous donor gave $200 to pay the technology fee for four students at MCHS.

$649,150.00 increase in PRC 379 (School Climate Transformation Grant) – This allotment represents year 3 funding for the district. The purpose of the SCTG grant is to develop, enhance, or expand systems of support for, and technical assistance to, schools implementing an evidence-based multi-tiered behavioral framework for improving behavioral outcomes and learning conditions for all students.

7) Overall, these adjustments resulted in an increase of $6,160,514.12 to the total 2021/2022 budget for Montgomery County Schools.

I will be available to answer any questions you may have.

This amendment is an action item and will require a vote.

Budget Amendment # 5

Montgomery County Administration Unit

The Montgomery County Board of Education at a meeting on the 7th day of February 2022. passed the following resolution:

Be it resolved that the following amendments be made to the Budget Resolution for the fiscal year ending June 30, 2022.

Expense Code		Description of Code			Increase	Decrease
		STATE FUNDS				
		Revenues				
1.3100		State Revision #30 PRC 063			$102,408.00	
1.3100		State Revision #30 PRC 056			$335,608.00	
1.3100		State Revision #30 PRC 048			$54.00	
1.3100		State Revision #33 PRC 048			21,315.00	
1.3100		State Revision #34 PRC 001				712,365.00
1.3100		State Revision #34 PRC 020			712,365.00	
1.3100		State Revision #34 PRC 056			6,000.00	
1.3100		State Revision #34 PRC 014			21,670.00	
1.3100		State Revision #34 PRC 032				5,841.00
		Net Change in State Revenues			**$481,214.00**	
		Expenses				
1.5000.063		Special EC Program funds			$102,408.00	
1.6000.056		Transportation			$335,608.00	
1.5000.048		AP/CTE Test Bonus			$54.00	
1.5000.048		Principal Bonus ($1800)			$21,315.00	
1.5000.001		Classroom Teachers				$712,365.00
1.5000.020		Foreign Exchange Classroom Teachers			712,365.00	
1.6000.056		Transportation			$6,000.00	
1.5000.014		CTE Programing Expenses			21,670.00	
1.5000.032		Children with special needs				5,841.00
		Net Change in State Expenses			**$481,214.00**	
		Net Change in State Budget			**$481,214.00**	

Explanation: Adjustments made for actual revenues and expenditures.

Total Appropriation in Current Budget	**$27,421,839.84**
Amount of Increase	**$481,214.00**
Total Appropriation in Current Amended Budget	**$27,903,053.84**

Budget Amendment # 5

Expense Code		Description of Code			Increase	Decrease
		LOCAL FUNDS				
		Revenues				
		Expenses				
		Net Change in Local Budget			$0.00	

Explanation: Adjustments made for actual revenues and expenditures.

Total Appropriation in Current Budget	**$6,646,016.00**
Amount of Increase	**$0.00**
Total Appropriation in Current Amended Budget	**$6,646,016.00**

Budget Amendment # 5

Expense Code		Description of Code			Increase	Decrease
		FEDERAL FUNDS				
		Revenues				
3.3600.171		State Revision #29 PRC 171			$10,508.00	
3.3600.181		State Revision #11 PRC 181			$3,123,564.00	
3.3600.183		State Revision #34 PRC 183			$20,000.00	
3.3600.184		State Revision #30 PRC 184			$30,690.00	
3.3600.017		State Rev #18 PRC 017			$5,324.00	
3.3600.111		State Rev #26 PRC 111				$168.88
3.3600.114		State Revision #30 PRC 114			$31,929.00	
3.3600.205		State Revision #33 PRC 203			$205,707.00	
		Net Change in Federal Revenues			**$3,427,553.12**	
		Expenses				
3.5000		PRC 171 ESSER II				$367,291.70
3.6000		PRC 171 ESSER II			248,425.90	
3.7000		PRC 171 ESSER II			$129,373.80	
3.5000		PRC 181 ESSER III			2,598,283.53	
3.6000		PRC 181 ESSER III			$572,323.96	
3.7000		PRC 181 ESSER III				$47,043.49
3.5000		PRC 183 ESSER III Homeless I			$17,500.00	
3.6000		PRC 183 ESSER III Homeless I			$2,500.00	
3.5000		PRC 184 ESSER III Homeless II			$30,690.00	
3.5000		PRC 017 CTE Programing			$5,324.00	
3.5000		PRC 111 Language Acquistition				$164.42
3.8000		PRC 111 Language Acquistition				$4.46
3.5000		PRC 114 Children with Special Needs - Risk Pool			$31,929.00	
3.5000		PRC 203 Teacher Bonus ESSER III			$205,611.50	
3.8000		PRC 203 Teacher Bonus ESSER III			$95.50	
		Net Change in Federal Expenses			**$3,427,553.12**	
		Net Change in Federal Budget			**$3,427,553.12**	

Explanation: **Adjustments made for actual revenues and expenditures.**

Total Appropriation in Current Budget	**$14,449,308.88**
Amount of Increase	**$3,427,553.12**
Total Appropriation in Current Amended Budget	**$17,876,862.00**

Budget Amendment # 5

Expense Code		Description of Code			Increase	Decrease
		CAPITAL OUTLAY FUND				
		Revenues				
4.3400		State Revision #30 PRC 120			$92,362.00	
4.4000.		Turf field at Football Field			900,000.00	
4.4000.		Ice Maker at Field House			4,000.00	
4.4110		EMS wing addition settlement			100,000.00	
		Net Change in Capital Outlay Revenues			**1,096,362.00**	
		Expenses				
4.6550.		Annual Bus Lease payment			$92,362.00	
4.9000		Turf field at Football Field			$900,000.00	
4.9000		Ice Maker at Field House			4,000.00	
4.9000		EMS wing addition settlement			100,000.00	
		Net Change in Capital Outlay Expenses			**1,096,362.00**	
		Net Change in Capital Outlay Budget			**$1,096,362.00**	

Explanation: **Adjustments made for actual revenues and expenditures.**

Total Appropriation in Current Budget **$1,978,444.51**

Amount of Increase **$1,096,362.00**

Total Appropriation in Current Amended Budget **$3,074,806.51**

Expense Code		Description of Code			Increase	Decrease
		CHILD NUTRITION FUND				
		Revenues				
					0.00	
		Expenses				
					0.00	
		Net Change in Child Nutrition Budget			**$0.00**	

Explanation: **Adjustments made for actual revenues and expenditures.**

Total Appropriation in Current Budget **$3,246,560.00**

Amount of Increase **$0.00**

Total Appropriation in Current Amended Budget **$3,246,560.00**

Budget Amendment # 5

Expense Code		Description of Code			Increase	Decrease
		LOCAL FUND 8				
		Revenues				
8.3600.175		ELISS Grant - Metal Program			500,000.00	
8.3200.461		JCPC Program			6,035.00	
8.4430.671		Donation for student fees			200.00	
8.3700.379		School Climate Grant			649,150.00	
		Total Changes in Fund 8 Revenues			**$1,155,385.00**	
		Expenses				
8.5000.175		ELISS Grant - Metal Program			470,693.00	
8.6000.175		ELISS Grant - Metal Program			29,307.00	
8.5000.461		JCPC Program			6,035.00	
8.5000.671		Donation for student fees			200.00	
8.5000.379		School Climate Grant			242,637.29	
8.6000.379		School Climate Grant			168,739.18	
8.8000.379		School Climate Grant			237,773.53	
		Total Change in Fund 8 Expenses			**$1,155,385.00**	
		Net Change in Local Fund 8 Budget			**$1,155,385.00**	

Explanation: Adjustments made for actual revenues and expenditures.

Total Appropriation in Current Budget	**$3,542,572.12**
Amount of Increase	**$1,155,385.00**
Total Appropriation in Current Amended Budget	**$4,697,957.12**

Summary of Budget Changes

Previous Budget	**$57,284,741.35**
State Budget Change	$481,214.00
Local Budget Change	$0.00
Federal Budget Change	$3,427,553.12
Capital Outlay Budget Change	$1,096,362.00
Child Nutrition Budget Change	$0.00
Fund 8 Budget Change	$1,155,385.00
Current Budget	**$63,445,255.47**

Passed by majority vote by the Board of Education of Montgomery County on the 7th day of February 2022.

Chairman, Board of Education

Secretary, Board of Education