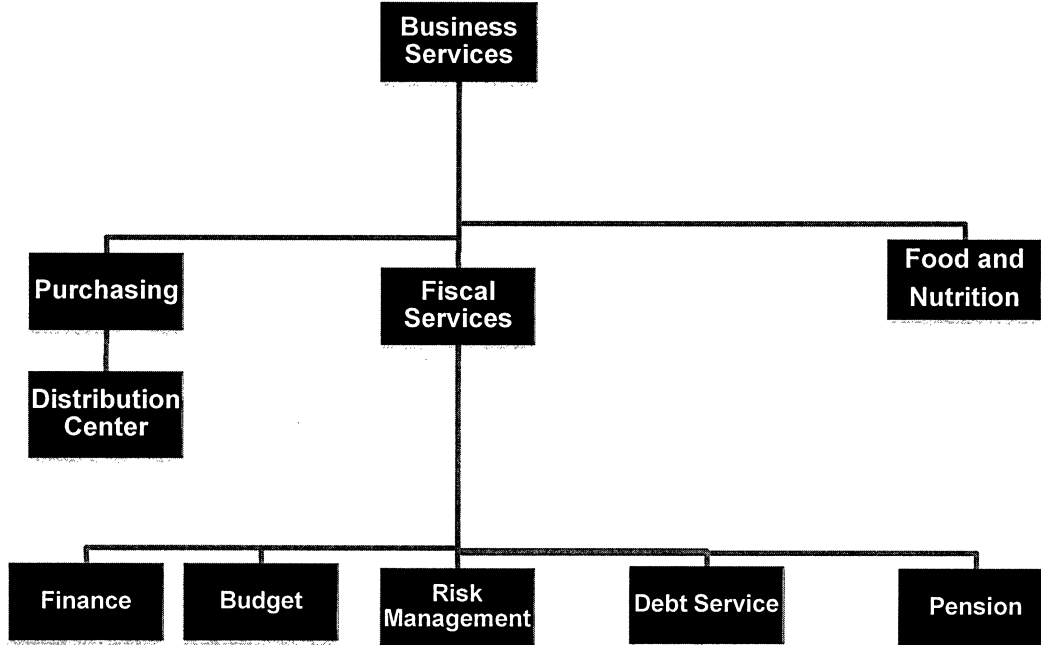


Business Services

Business Service programs entail the day-to-day financial, budget, risk management, payroll, and purchasing operations to support the faculty and staff of the Board of Education.

"Better Business for the Betterment of Students"

PROGRAM COMPONENT ORGANIZATION



	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Budget	FY16 Budget	Change FY15- FY16
BUSINESS SERVICES	\$ 31,805,847	\$ 32,726,564	\$ 33,649,740	\$ 34,224,800	\$ 35,702,451	\$ 1,477,651
Fiscal Services	\$ 30,897,144	\$ 31,849,944	\$ 32,782,338	\$ 33,335,760	\$ 34,780,995	\$ 1,445,235
Purchasing	\$ 908,703	\$ 876,620	\$ 867,402	\$ 889,040	\$ 921,456	\$ 32,416

Summary Report

Business Services

By Object Code	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Budget	15-16 Change	FY16 Budget
Salaries	\$2,290,590	\$2,270,410	\$2,209,447	\$2,256,720	\$71,629	\$2,328,349
Contracted Services	\$125,620	\$121,954	\$95,450	\$86,797	(\$1,358)	\$85,439
Supplies	\$23,312	\$24,226	\$20,217	\$32,642	(\$2,742)	\$29,900
Other Charges	\$29,807,268	\$30,819,499	\$31,862,932	\$32,356,889	\$1,451,522	\$33,808,411
Equipment	\$8,841	\$1,633	\$7,925	\$6,752	\$3,600	\$10,352
Transfers	(\$449,783)	(\$511,159)	(\$546,231)	(\$515,000)	(\$45,000)	(\$560,000)
Total:	\$31,805,847	\$32,726,564	\$33,649,740	\$34,224,800	\$1,477,651	\$35,702,451

Budgeted Full Time Equivalent Positions

	FY13	FY14	FY15	15-16	FY16
Assistant Superintendent	1.0	1.0	1.0	0.0	1.0
Assistant Supervisor	1.0	1.0	1.0	0.0	1.0
Clerical 12 Month	13.0	13.0	12.0	0.0	12.0
Director	2.0	2.0	2.0	0.0	2.0
Specialist 12 Month	10.0	10.0	11.0	0.0	11.0
Supervisor	2.0	2.0	2.0	0.0	2.0
Warehouse Person	6.0	5.0	5.0	0.0	5.0
	35.0	34.0	34.0	0.0	34.0

By State Category	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Budget	15-16 Change	FY16 Budget	FY16 FTE
ADMINISTRATIVE SERVICES							
Contracted Services	\$125,620	\$121,954	\$95,450	\$86,797	\$(1,358)	\$85,439	
Equipment	\$8,841	\$1,633	\$7,925	\$6,752	\$3,600	\$10,352	
Other Charges	\$26,419	\$28,679	\$34,089	\$33,635	\$500	\$34,135	
Salaries	\$2,290,590	\$2,268,629	\$2,209,447	\$2,256,720	\$71,629	\$2,328,349	
Supplies	\$23,312	\$24,226	\$20,217	\$32,642	\$(2,742)	\$29,900	
Transfers	(\$449,783)	(\$511,159)	(\$546,231)	(\$515,000)	\$(45,000)	(\$560,000)	
TOTAL:	\$2,024,998	\$1,933,963	\$1,820,897	\$1,901,546	\$26,629	\$1,928,175	34.0
FIXED CHARGES							
Other Charges	\$29,780,849	\$30,790,820	\$31,457,585	\$31,951,995	\$1,313,862	\$33,265,857	
TOTAL:	\$29,780,849	\$30,790,820	\$31,457,585	\$31,951,995	\$1,313,862	\$33,265,857	0.0
CAPITAL OUTLAY							
Other Charges	\$0	\$0	\$371,258	\$371,259	\$137,160	\$508,419	
Salaries	\$0	\$1,781	\$0	\$0	\$0	\$0	
TOTAL:	\$0	\$1,781	\$371,258	\$371,259	\$137,160	\$508,419	0.0
Grand Total:	\$31,805,847	\$32,726,564	\$33,649,740	\$34,224,800	\$1,477,651	\$35,702,451	34.0

Fiscal Services

Program Overview

Fiscal Services encompasses the Offices of the Assistant Superintendent, Budget, Risk Management, and the Finance Departments.

The Office of the Assistant Superintendent is responsible for the overall management and guidance of Business Services and its employees. Preparation of quarterly financial reports and the Comprehensive Annual Financial Report are completed by the Assistant Superintendent. In addition, the Assistant Superintendent is a participant in the MABE OPEB Investment Trust, a unique pooling arrangement for Maryland school districts, to reduce implementation and administrative costs by pooling monies designated for their OPEB liabilities.

The Budget Office is responsible for the compilation of data and records in the preparation of the annual budget. In addition, the Budget Office reviews and analyzes financial data and projections to determine requested funding for future periods, staffing requirements, requests, and allocations, school financial reports, and budgetary estimates versus actual expenditures & revenues. The Budget Office is also responsible for the administration of the 403b and 457 deferred compensation plans.

Risk Management manages the various property and casualty insurance programs within the school system. The Risk Management Department administers and processes claims filed against HCPS. This includes Workers' Compensation, liability, property and automobile liability. In addition, Risk Management focuses on preventing losses through training, historical loss analysis, hazard identification, risk assessment, risk avoidance and risk transfer. Providing a safe environment for students, staff, and system visitors is the purpose of risk management, which works closely with school administrators and central office staff to mitigate our exposure to claims arising from accident or injury.

The Finance Department prepares all financial reports, manages all audits, performs accounting for all funds, manages grant accounting, receives and disburses payments, invests cash, oversees banking relations, and processes over 6,100 payments through the payroll system for regular, substitute and per diem employees each payday. Staff in the office facilitate the implementation of the financial, purchasing, and human resource integrated information management system and serve as the liaison to the software vendor.

Accomplishments – FY 2014

- Continued to receive national awards for the Budget and Comprehensive Annual Financial Report. (Board Goal 4)
- Provided professional development opportunities for staff at all levels. (Board Goal 3)
- Worked closely with the legislative auditors during their nine-month audit of the financial management practices of Harford County Public Schools. The final report will be released in FY15, no major findings are expected. (Board Goal 4)
- Data compiled through the Federal Impact Aid Student Survey is the basis of two grants: DoDEA grant for \$1.2M provided to four schools impacted by military bases and DoD Impact Aid grant for \$0.12M for children with severe disabilities. (Board Goal 4)
- Completed implementation of electronic student accident reporting. (Board Goal 4)
- Implemented the Lawson Budget Planning Module in order to increase accuracy and efficiency when forecasting personnel costs, allocating funds, and performing analyses. (Board Goal 4)
- Increased rebates revenue by re-negotiating contract with P-card vendor and acting as Lead Agent on a national purchasing cooperative. (Board Goal 4)

Goals – FY 2016

- Develop comprehensive financial, budget, and risk management policies and procedures in keeping with best and recommended practices. (Board Goal 4)
- Seize opportunities to improve the school district's efficiency and reduce operating costs. (Board Goal 4)

Objectives – FY 2016

- Continue to receive national awards for the Budget and Comprehensive Annual Financial Report. (Board Goal 4)
- Continue with future upgrades and improvements to the Lawson Financial Systems. (Board Goal 4)
- Provide professional opportunities for staff at all levels. (Board Goal 3)
- Utilize electronic student accident reporting to analyze trends in student accidents and pursue initiatives to reduce accidents. (Board Goal 4)

Fiscal Services

- Complete MABE grant funding submission to obtain funding for risk management and loss prevention initiatives. (Board Goal 4)
- Achieve 100% compliance with all recommendations on MABE safety/peril school inspections. (Board Goal 4)

FY 2016 Funding Adjustments

The changes to Fiscal Services for fiscal 2016 include:

Wage and Benefits Adjustments of \$1,821,025:

- Salary/wage adjustments of \$39,213.
- Teacher pension incremental increase from the State of Maryland, \$1,342,581.
- Social security adjustments for all employees of \$610,505.
- Workers compensation adjustments for all employees of \$56,661.
- Social security adjustments related to salary turnover savings, (\$209,832).
- Workers compensation reduction related to salary turnover savings, (\$18,103).

Cost Saving Measures of (\$621,651):

- Social security adjustments related to employee turnover, (\$428,501).
- Retirement adjustments related to employee turnover, (\$131,596).
- Increase indirect cost rate charged to grants, (\$45,000).
- Workers compensation adjustments related to employee turnover, (\$16,554).

Cost of Doing Business of \$245,861:

- Debt service principal adjustment on A. A. Roberty building lease, \$137,160.
- Social security related to new positions, \$52,370.
- Workers compensation increase, \$39,860.
- Retirement related to new positions, \$38,611.
- Debt service interest adjustment on A. A. Roberty building lease, (\$12,140).
- Liability insurance reduction, (\$10,000).

The increase in expenditures from the fiscal 2015 budget for Fiscal Services is \$1,445,235.

Fiscal Services

By Object Code	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Budget	15-16 Change	FY16 Budget
Salaries	\$1,421,919	\$1,432,479	\$1,383,388	\$1,416,048	\$39,213	\$1,455,261
Contracted Services	\$111,853	\$102,165	\$71,077	\$63,500	\$0	\$63,500
Supplies	\$13,681	\$16,148	\$13,325	\$16,676	\$0	\$16,676
Other Charges	\$29,795,907	\$30,809,046	\$31,855,692	\$32,349,084	\$1,451,022	\$33,800,106
Equipment	\$3,569	\$1,265	\$5,087	\$5,452	\$0	\$5,452
Transfers	(\$449,783)	(\$511,159)	(\$546,231)	(\$515,000)	(\$45,000)	(\$560,000)
Total:	\$30,897,144	\$31,849,944	\$32,782,338	\$33,335,760	\$1,445,235	\$34,780,995

Budgeted Full Time Equivalent Positions

	FY13	FY14	FY15	15-16	FY16
Assistant Superintendent	1.0	1.0	1.0	0.0	1.0
Assistant Supervisor	1.0	1.0	1.0	0.0	1.0
Clerical 12 Month	8.0	8.0	8.0	0.0	8.0
Director	2.0	2.0	2.0	0.0	2.0
Specialist 12 Month	6.0	6.0	6.0	0.0	6.0
Supervisor	1.0	1.0	1.0	0.0	1.0
	19.0	19.0	19.0	0.0	19.0

By State Category	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Budget	15-16 Change	FY16 Budget	FY16 FTE
ADMINISTRATIVE SERVICES							
Contracted Services	\$111,853	\$102,165	\$71,077	\$63,500	\$0	\$63,500	
Equipment	\$3,569	\$1,265	\$5,087	\$5,452	\$0	\$5,452	
Other Charges	\$15,058	\$18,225	\$26,849	\$25,830	\$0	\$25,830	
Salaries	\$1,421,919	\$1,430,698	\$1,383,388	\$1,416,048	\$39,213	\$1,455,261	
Supplies	\$13,681	\$16,148	\$13,325	\$16,676	\$0	\$16,676	
Transfers	(\$449,783)	(\$511,159)	(\$546,231)	(\$515,000)	(\$45,000)	(\$560,000)	
TOTAL:	\$1,116,295	\$1,057,343	\$953,495	\$1,012,506	\$(5,787)	\$1,006,719	19.0
FIXED CHARGES							
Other Charges	\$29,780,849	\$30,790,820	\$31,457,585	\$31,951,995	\$1,313,862	\$33,265,857	
TOTAL:	\$29,780,849	\$30,790,820	\$31,457,585	\$31,951,995	\$1,313,862	\$33,265,857	0.0
CAPITAL OUTLAY							
Other Charges	\$0	\$0	\$371,258	\$371,259	\$137,160	\$508,419	
Salaries	\$0	\$1,781	\$0	\$0	\$0	\$0	
TOTAL:	\$0	\$1,781	\$371,258	\$371,259	\$137,160	\$508,419	0.0
Grand Total:	\$30,897,144	\$31,849,944	\$32,782,338	\$33,335,760	\$1,445,235	\$34,780,995	19.0

Purchasing

PURPOSE

The Purchasing Department consists of the Purchasing Office, the Distribution Center and Procurement Card Administration. This is a centralized procurement operation that transacts the acquisition of supplies and equipment, acquisition of services for the district, logistical support for items maintained in inventory and distribution throughout the district, as well as the operational administration of the P-Card program.

The mission of the Purchasing Department of Harford County Public Schools is to provide professional value-added strategic sourcing procurement and material management services, using effective, innovative processes that result in continuous customer satisfaction, while maintaining public trust with the assurance that each dollar expended will be used in the most efficient manner. The Purchasing Department is committed to improving processes to simplify the procurement process for our users.

The Distribution Center receives, ships, and stores materials for the school system as well as food items for the Food & Nutrition department. It also provides courier delivery service to all locations within the district.

The HCPS Visa credit card program (P-Card) is administered in the Purchasing Office. It provides a more efficient and cost effective method for routine purchases and payments by reducing paperwork, streamlining the purchasing cycle and expediting the receipt of goods ordered.

Purchasing Department commitment to our customers Service.....Savings.....Satisfaction

Accomplishments – FY 2014

- Served as lead agent for additional US Communities solicitations, thus increasing revenue to the district. (Board Goal 4)
- Improved efficiency by eliminating physical forms from the Distribution Center. (Board Goal 4)
- Reduced 43% of non-food inventory items from the Distribution Center, moving them to just-in-time delivery to schools and departments. (Board Goal 4)
- Streamlined the procurement process by consolidating the number of vendors. (Board Goal 4)
- Created more bids to avoid out of contract spend. (Board Goal 4)

Goals – FY 2016

- To develop and implement an e-procurement shopping mechanism for our users. (Board Goal 4)
- To continue to reduce the number of inventory items at the Distribution Center. (Board Goal 4)
- To serve as lead agent for an additional US Communities solicitation and add additional revenue to the district. (Board Goal 4)

Objectives – FY 2016

- To continue to re-examine and revise our general terms and conditions for our formal solicitations. (Board Goal 4)
- To develop policies for typical procurement processes where policies do not currently exist. (Board Goal 3)
- To maintain a fully certificated staff of Purchasing Agent's and support their professional development to ensure this. (Board Goal 3)

FY 2016 Funding Adjustments

The changes to Purchasing for fiscal 2016 include:

Wage Adjustments of \$32,416:

- Salary/wage adjustments of \$34,476.
- Turnover savings, (\$2,060).

Base Budget Adjustment net changes of (\$0):

- Increase the following accounts: Other Equipment \$3,600; Contracted Equipment Repairs \$700; Institutes, Conferences and Meetings \$300; Professional dues \$200; and Printing Supplies \$150.
- Reduce the following accounts: Office Supplies (\$2,582); Copier/Machine Rentals (\$1,908); Other Supplies (\$300); Contracted Services (\$150); and Postage/Courier Service (\$10).

The increase in expenditures from the fiscal 2015 budget for Purchasing is \$32,416.

Purchasing

By Object Code	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Budget	15-16 Change	FY16 Budget
Salaries	\$868,671	\$837,931	\$826,059	\$840,672	\$32,416	\$873,088
Contracted Services	\$13,767	\$19,789	\$24,373	\$23,297	(\$1,358)	\$21,939
Supplies	\$9,632	\$8,078	\$6,892	\$15,966	(\$2,742)	\$13,224
Other Charges	\$11,361	\$10,454	\$7,240	\$7,805	\$500	\$8,305
Equipment	\$5,272	\$368	\$2,838	\$1,300	\$3,600	\$4,900
Total:	\$908,703	\$876,620	\$867,402	\$889,040	\$32,416	\$921,456

Budgeted Full Time Equivalent Positions

	FY13	FY14	FY15	15-16	FY16
Clerical 12 Month	5.0	5.0	4.0	0.0	4.0
Specialist 12 Month	4.0	4.0	5.0	0.0	5.0
Supervisor	1.0	1.0	1.0	0.0	1.0
Warehouse Person	6.0	5.0	5.0	0.0	5.0
	16.0	15.0	15.0	0.0	15.0

By State Category	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Budget	15-16 Change	FY16 Budget	FY16 FTE
ADMINISTRATIVE SERVICES							
Contracted Services	\$13,767	\$19,789	\$24,373	\$23,297	\$(1,358)	\$21,939	
Equipment	\$5,272	\$368	\$2,838	\$1,300	\$3,600	\$4,900	
Other Charges	\$11,361	\$10,454	\$7,240	\$7,805	\$500	\$8,305	
Salaries	\$868,671	\$837,931	\$826,059	\$840,672	\$32,416	\$873,088	
Supplies	\$9,632	\$8,078	\$6,892	\$15,966	\$(2,742)	\$13,224	
TOTAL:	\$908,703	\$876,620	\$867,402	\$889,040	\$32,416	\$921,456	15.0
Grand Total:	\$908,703	\$876,620	\$867,402	\$889,040	\$32,416	\$921,456	15.0