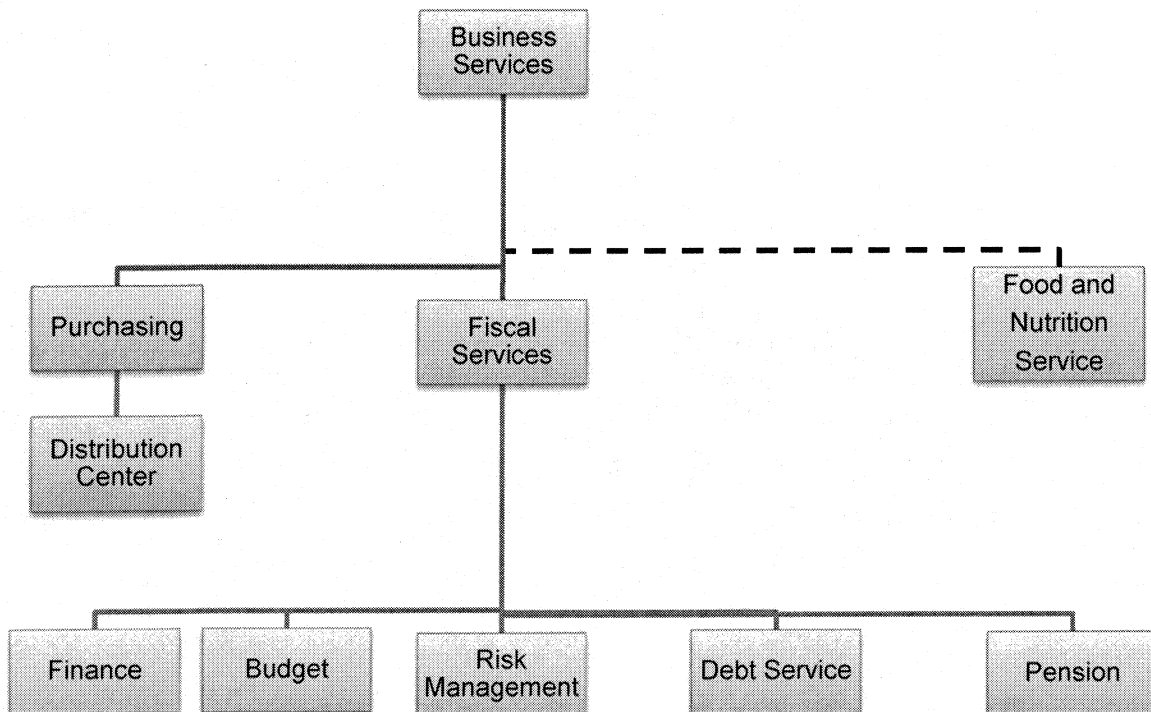


# Business Services

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



PROGRAM BUDGET	FY09 Actual	FY09 Budget	FY10 Budget	FY11 Base Budget	Change FY10 - FY11	FY11 Budget
<b>Business Services</b>	26,271,185	26,917,053	26,234,641	26,234,641	902,647	27,137,288
<b>Fiscal Services</b>	25,194,668	25,806,122	25,173,396	25,174,196	894,210	26,068,406
<b>Purchasing</b>	1,076,517	1,110,931	1,061,245	1,060,445	8,437	1,068,882



## Summary Business Services

By Object Code	FY09 Actual	FY10 Actual	FY10 Budget	FY2011		
				Base	Change	Budget
Salaries	\$2,483,183	\$2,442,611	\$2,448,313	\$2,446,313	\$437	\$2,446,750
Contracted Services	\$78,658	\$72,293	\$63,363	\$71,204	\$0	\$71,204
Supplies	\$35,658	\$29,741	\$56,776	\$51,029	\$0	\$51,029
Other Charges	\$23,987,218	\$23,802,204	\$24,067,669	\$24,067,575	\$1,045,749	\$25,113,324
Equipment	\$17,787	\$1,789	\$18,863	\$18,863	\$0	\$18,863
Transfers	(\$331,318)	(\$454,159)	(\$420,343)	(\$420,343)	(\$143,539)	(\$563,882)
<b>Total</b>	<b>\$26,271,186</b>	<b>\$25,894,480</b>	<b>\$26,234,641</b>	<b>\$26,234,641</b>	<b>\$902,647</b>	<b>\$27,137,288</b>

**Business Services**

Budgeted Full Time Equivalent Positions					
	FY08	FY09	FY10	Change	FY11
Admin/Supv/Assist Supv	4.0	4.0	4.0	0.0	4.0
Assistant Superintendent	1.0	1.0	1.0	0.0	1.0
Clerical	17.0	15.0	15.0	0.0	15.0
Director	2.0	2.0	2.0	0.0	2.0
Purchasing Agent	3.0	4.0	4.0	0.0	4.0
Specialist	4.0	5.0	5.0	0.0	5.0
Warehouse	6.0	6.0	6.0	0.0	6.0
<b>Total</b>	<b>37.0</b>	<b>37.0</b>	<b>37.0</b>	<b>0.0</b>	<b>37.0</b>

**Business Services**

By State Category	FY09 Actual	FY10 Actual	FY10 Budget	FY2011		
				Base	Change	Budget
<b>F11 FTE: 37.0</b>	<b>ADMINISTRATIVE SERVICES</b>					
Salaries	\$2,483,183	\$2,442,611	\$2,448,313	\$2,446,313	\$437	\$2,446,750
Contracted Services	\$78,658	\$72,293	\$63,363	\$71,204	\$0	\$71,204
Supplies	\$35,658	\$29,741	\$56,776	\$51,029	\$0	\$51,029
Other Charges	\$36,786	\$30,289	\$41,365	\$41,271	\$0	\$41,271
Equipment	\$17,787	\$1,789	\$18,863	\$18,863	\$0	\$18,863
Transfers	(\$331,318)	(\$454,159)	(\$420,343)	(\$420,343)	(\$143,539)	(\$563,882)
<b>TOTAL</b>	<b>\$2,320,754</b>	<b>\$2,122,565</b>	<b>\$2,208,337</b>	<b>\$2,208,337</b>	<b>(\$143,102)</b>	<b>\$2,065,235</b>
<b>F11 FTE: 0.0</b>	<b>STUDENT TRANSPORTATION</b>					
Other Charges	\$79,411	\$77,685	\$100,000	\$100,000	(\$15,000)	\$85,000
<b>TOTAL</b>	<b>\$79,411</b>	<b>\$77,685</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>(\$15,000)</b>	<b>\$85,000</b>
<b>F11 FTE: 0.0</b>	<b>FIXED CHARGES</b>					
Other Charges	\$23,588,176	\$23,397,302	\$23,643,459	\$23,614,590	\$1,060,749	\$24,675,339
<b>TOTAL</b>	<b>\$23,588,176</b>	<b>\$23,397,302</b>	<b>\$23,643,459</b>	<b>\$23,614,590</b>	<b>\$1,060,749</b>	<b>\$24,675,339</b>
<b>F11 FTE: 0.0</b>	<b>CAPITAL OUTLAY</b>					
Other Charges	\$282,845	\$296,928	\$282,845	\$311,714	\$0	\$311,714
<b>TOTAL</b>	<b>\$282,845</b>	<b>\$296,928</b>	<b>\$282,845</b>	<b>\$311,714</b>	<b>\$0</b>	<b>\$311,714</b>
<b>Grand Total</b>	<b>\$26,271,186</b>	<b>\$25,894,480</b>	<b>\$26,234,641</b>	<b>\$26,234,641</b>	<b>\$902,647</b>	<b>\$27,137,288</b>
<b>FTE FY11: 37.0</b>	<b>Business Services</b>					



# Fiscal Services

## **Program Overview**

Fiscal Services encompasses the Offices of the Chief Financial Officer, Budget, Risk Management, and the Finance Departments. 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.

The Office of the Chief Financial Officer (CFO) 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 CFO. Contract administration, plan design, and rate negotiations for the various employee benefits plans are also the responsibilities of the CFO.

The Budget Office is responsible for the compilation of data and records in the preparation of an annual budget. In addition, the 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 6,300 payments through the payroll system for regular, substitute and per diem employees each payday.

## **Accomplishment – FY 2009**

- Creation and utilization by Business Services of Automated Leave Reporting.
- Established on line registration and payment through Paypal for summer swim program.
- Received national recognition by receiving the GFOA Budget Presentation Award for the 8<sup>th</sup> year.
- Received national recognition by receiving the GFOA Achievement for Excellence in Finance reporting award for the 5<sup>th</sup> year.
- Received Maryland Association of Boards of Education (MABE) Risk Management Assessment Incentive.
- Founding member and 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.

## **Goals – FY 2011**

- Develop comprehensive financial, budget, and risk management policies and procedures in keeping with best and recommended practices.
- Provide professional development opportunities for staff at all levels.

## **Objectives – FY 2011**

- Continue to receive national awards for the Budget and Comprehensive Annual Financial Report.
- Seize opportunities to improve the school district's efficiency and reduce operating costs.
- Expand the use of the SmartFindExpress (SFE) system to automate teacher and substitute attendance to all schools in Harford County.

# Fiscal Services

## FY 2011 Funding Adjustments

Fiscal Services FY2011 changes are highlighted below:

- Increases in workers compensation , \$303,258, and liability insurance, \$110,394;
- Retirement expense increase of \$724,890;
- An increase in indirect cost recovery results in a reduction of (\$143,539);
- FICA adjustments resulting in a decrease of (\$77,793);
- A decrease in liability insurance for student transportation, (\$15,000); and,
- Turnover/Salary Adjustments of (\$8,000).

**Total increase in funding for Fiscal Services is \$894,210 for fiscal 2011.**

## Fiscal Services

By Object Code	FY09 Actual	FY10 Actual	FY10 Budget	FY2011		
				Base	Change	Budget
Salaries	\$1,468,060	\$1,432,810	\$1,440,688	\$1,440,688	(\$8,000)	\$1,432,688
Contracted Services	\$57,063	\$52,201	\$52,700	\$52,700	\$0	\$52,700
Supplies	\$18,668	\$19,040	\$32,176	\$32,476	\$0	\$32,476
Other Charges	\$23,978,793	\$23,795,528	\$24,054,975	\$24,055,475	\$1,045,749	\$25,101,224
Equipment	\$3,403	\$654	\$13,200	\$13,200	\$0	\$13,200
Transfers	(\$331,318)	(\$454,159)	(\$420,343)	(\$420,343)	(\$143,539)	(\$563,882)
<b>Total</b>	<b>\$25,194,668</b>	<b>\$24,846,075</b>	<b>\$25,173,396</b>	<b>\$25,174,196</b>	<b>\$894,210</b>	<b>\$26,068,406</b>

Fiscal Services

Budgeted Full Time Equivalent Positions					
	FY08	FY09	FY10	Change	FY11
Admin/Supv/Assist Supv	3.0	3.0	3.0	0.0	3.0
Assistant Superintendent	1.0	1.0	1.0	0.0	1.0
Clerical	10.0	8.0	8.0	0.0	8.0
Director	2.0	2.0	2.0	0.0	2.0
Specialist	4.0	5.0	5.0	0.0	5.0
<b>Total</b>	<b>20.0</b>	<b>19.0</b>	<b>19.0</b>	<b>0.0</b>	<b>19.0</b>

Fiscal Services

By State Category	FY09 Actual	FY10 Actual	FY10 Budget	FY2011		
				Base	Change	Budget
<b>F11 FTE: 19.0</b>	<b>ADMINISTRATIVE SERVICES</b>					
Salaries	\$1,468,060	\$1,432,810	\$1,440,688	\$1,440,688	(\$8,000)	\$1,432,688
Contracted Services	\$57,063	\$52,201	\$52,700	\$52,700	\$0	\$52,700
Supplies	\$18,668	\$19,040	\$32,176	\$32,476	\$0	\$32,476
Other Charges	\$28,361	\$23,613	\$28,671	\$29,171	\$0	\$29,171
Equipment	\$3,403	\$654	\$13,200	\$13,200	\$0	\$13,200
Transfers	(\$331,318)	(\$454,159)	(\$420,343)	(\$420,343)	(\$143,539)	(\$563,882)
<b>TOTAL</b>	<b>\$1,244,237</b>	<b>\$1,074,160</b>	<b>\$1,147,092</b>	<b>\$1,147,892</b>	<b>(\$151,539)</b>	<b>\$996,353</b>
<b>F11 FTE: 0.0</b>	<b>STUDENT TRANSPORTATION</b>					
Other Charges	\$79,411	\$77,685	\$100,000	\$100,000	(\$15,000)	\$85,000
<b>TOTAL</b>	<b>\$79,411</b>	<b>\$77,685</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>(\$15,000)</b>	<b>\$85,000</b>
<b>F11 FTE: 0.0</b>	<b>FIXED CHARGES</b>					
Other Charges	\$23,588,176	\$23,397,302	\$23,643,459	\$23,614,590	\$1,060,749	\$24,675,339
<b>TOTAL</b>	<b>\$23,588,176</b>	<b>\$23,397,302</b>	<b>\$23,643,459</b>	<b>\$23,614,590</b>	<b>\$1,060,749</b>	<b>\$24,675,339</b>
<b>F11 FTE: 0.0</b>	<b>CAPITAL OUTLAY</b>					
Other Charges	\$282,845	\$296,928	\$282,845	\$311,714	\$0	\$311,714
<b>TOTAL</b>	<b>\$282,845</b>	<b>\$296,928</b>	<b>\$282,845</b>	<b>\$311,714</b>	<b>\$0</b>	<b>\$311,714</b>
<b>Grand Total</b>	<b>\$25,194,668</b>	<b>\$24,846,075</b>	<b>\$25,173,396</b>	<b>\$25,174,196</b>	<b>\$894,210</b>	<b>\$26,068,406</b>

Fiscal Services





# Purchasing

## Program Overview

The Purchasing Department consists of the Purchasing Office, the Distribution Center and the Procurement Card Administration. This is a centralized procurement operation that transacts the acquisition of supplies and equipment, the logistical support for certain items carried in inventory, and the operational administration of the P-Card (VISA) program for the school system.

The mission of the Purchasing Department of Harford County Public Schools is to provide professional, value-added 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 Distribution Center receives, ships, and stores supplies and materials. It also provides daily courier and food service delivery all of the schools and offices.

The P-Card Coordinator administers the procurement credit card program. The HCPS VISA card program is designed to provide a more efficient and cost effective method of transacting small routine purchases and payments, thereby reducing paper transactions and streamlining the purchasing cycle. The program also generates rebates back to HCPS based on the volume of spending generated. In FY 10 the rebate was \$102,912 based on over 35,000 transactions.

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

## Accomplishments – FY 2009

- As a lead public agency for the U.S. Communities National Purchasing Cooperative, competed and awarded two national contracts—for Science/Labware Supplies and for Sporting Goods (Board Goal 3).
- Became a founding member of a new regional cooperative, The Northeast Maryland Public Procurement Group consisting of public agencies within the Harford County and Cecil County government including Harford Community College, Libraries, Sheriff and Public Safety (Board Goal 3).
- Began the market research necessary to create an electric purchase power agreement to facilitate the placement of solar panels on the roofs of six schools (Board Goal 3).

## Goals – FY 2011

- To encourage, support and fund continuing professional development for professional and administrative staff.
- To identify additional sustainable procurement initiatives including the purchase of environmentally preferable products.
- To reconfigure the space allocation at the Distribution Center resulting from the creation of new freezer space.
- To conduct billing audits of certain large just-in-time contracts where spending is generated primarily through the use of P-Cards.
- Pursue best value and performance based contracts in order to achieve greater savings.

## Objectives – FY 2011

- Reorganize certain buyer commodity assignments based on productivity and spending analysis.
- Revise and update the Purchasing Manual.
- Increase rebates through the introduction of additional Just-in-Time contracts that are web-based.
- Increase the use of certain contracts that may be “piggybacked” whenever they are determined to be in the best interest of HCPS.
- Participate in a “Green Products Expo” in April 2011, sponsored by the Maryland Public Purchasing Association.

## FY 2011 Funding Adjustments

FY2011 changes are highlighted below for Purchasing:

- The reversal of the Central Office hiring delay from FY10 totaling \$8,437.

**Total increase in funding for Purchasing is \$8,437 for fiscal 2011.**

## Purchasing

By Object Code	FY09 Actual	FY10 Actual	FY10 Budget	FY2011		
				Base	Change	Budget
Salaries	\$1,015,123	\$1,009,801	\$1,007,625	\$1,005,625	\$8,437	\$1,014,062
Contracted Services	\$21,595	\$20,093	\$10,663	\$18,504	\$0	\$18,504
Supplies	\$16,990	\$10,702	\$24,600	\$18,553	\$0	\$18,553
Other Charges	\$8,425	\$6,676	\$12,694	\$12,100	\$0	\$12,100
Equipment	\$14,385	\$1,134	\$5,663	\$5,663	\$0	\$5,663
<b>Total</b>	<b>\$1,076,517</b>	<b>\$1,048,405</b>	<b>\$1,061,245</b>	<b>\$1,060,445</b>	<b>\$8,437</b>	<b>\$1,068,882</b>

Purchasing

Budgeted Full Time Equivalent Positions					
	FY08	FY09	FY10	Change	FY11
Admin/Supv/Assist Supv	1.0	1.0	1.0	0.0	1.0
Clerical	7.0	7.0	7.0	0.0	7.0
Purchasing Agent	3.0	4.0	4.0	0.0	4.0
Warehouse	6.0	6.0	6.0	0.0	6.0
<b>Total</b>	<b>17.0</b>	<b>18.0</b>	<b>18.0</b>	<b>0.0</b>	<b>18.0</b>

Purchasing

By State Category	FY09 Actual	FY10 Actual	FY10 Budget	FY2011		
				Base	Change	Budget
<b>F11 FTE: 18.0</b>	<b>ADMINISTRATIVE SERVICES</b>					
Salaries	\$1,015,123	\$1,009,801	\$1,007,625	\$1,005,625	\$8,437	\$1,014,062
Contracted Services	\$21,595	\$20,093	\$10,663	\$18,504	\$0	\$18,504
Supplies	\$16,990	\$10,702	\$24,600	\$18,553	\$0	\$18,553
Other Charges	\$8,425	\$6,676	\$12,694	\$12,100	\$0	\$12,100
Equipment	\$14,385	\$1,134	\$5,663	\$5,663	\$0	\$5,663
<b>TOTAL</b>	<b>\$1,076,517</b>	<b>\$1,048,405</b>	<b>\$1,061,245</b>	<b>\$1,060,445</b>	<b>\$8,437</b>	<b>\$1,068,882</b>
<b>Grand Total</b>	<b>\$1,076,517</b>	<b>\$1,048,405</b>	<b>\$1,061,245</b>	<b>\$1,060,445</b>	<b>\$8,437</b>	<b>\$1,068,882</b>

FTE FY11: 18.0 Purchasing