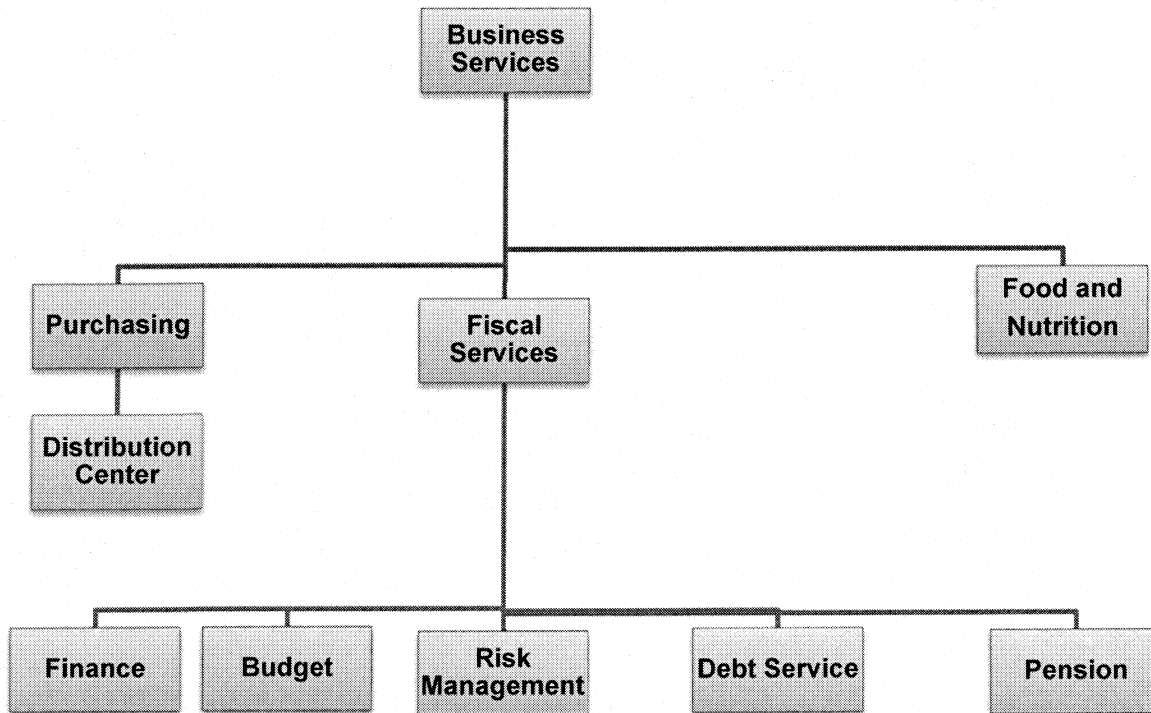


Business Services

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



	FY09 Actual	FY10 Actual	FY11 Actual	FY11 Budget	Change FY11- FY12	FY12 Budget
BUSINESS SERVICES	\$ 26,271,187	\$ 25,897,892	\$ 26,563,022	\$ 27,017,288	\$ 1,053,492	\$ 28,070,780
Fiscal Services	\$ 25,192,964	\$ 24,846,835	\$ 25,539,590	\$ 25,967,606	\$ 1,043,860	\$ 27,011,466
Purchasing	\$ 1,078,223	\$ 1,051,057	\$ 1,023,432	\$ 1,049,682	\$ 9,632	\$ 1,059,314

Summary Business Services

By Object Code	FY10 Actual	FY11 Actual	FY11 Budget	11 - 12 Change	FY12 Budget
Salaries	\$2,446,023	\$2,306,820	\$2,334,750	\$57,032	\$2,391,782
Contracted Services	\$72,293	\$56,373	\$63,204	\$8,350	\$71,554
Supplies	\$29,741	\$30,155	\$51,029	(\$3,442)	\$47,587
Other Charges	\$23,802,204	\$24,782,766	\$25,113,324	\$896,333	\$26,009,657
Equipment	\$1,789	\$7,288	\$18,863	(\$3,663)	\$15,200
Transfers	(\$454,159)	(\$620,379)	(\$563,882)	\$98,882	(\$465,000)
Total	\$25,897,892	\$26,563,023	\$27,017,288	\$1,053,492	\$28,070,780

Budgeted Full Time Equivalent Positions				
	FY10	FY11	Change	FY12
Admin/Supv/Assist Supv	4.0	4.0	0.0	4.0
Assistant Superintendent	1.0	1.0	0.0	1.0
Clerical	15.0	14.0	0.0	14.0
Director	2.0	2.0	0.0	2.0
Purchasing Agent	4.0	4.0	0.0	4.0
Specialist	5.0	5.0	0.0	5.0
Warehouse	6.0	6.0	0.0	6.0
Total	37.0	36.0	0.0	36.0

By State Category	FY10 Actual	FY11 Actual	FY11 Budget	11 - 12 Change	FY12 Budget
FY12 FTE: 36.0	ADMINISTRATIVE SERVICES				
Salaries	\$2,442,611	\$2,306,766	\$2,334,750	\$57,032	\$2,391,782
Contracted Services	\$72,293	\$56,373	\$63,204	\$8,350	\$71,554
Supplies	\$29,741	\$30,155	\$51,029	(\$3,442)	\$47,587
Other Charges	\$30,289	\$35,731	\$41,271	\$9,355	\$50,626
Equipment	\$1,789	\$7,288	\$18,863	(\$3,663)	\$15,200
Transfers	(\$454,159)	(\$620,379)	(\$563,882)	\$98,882	(\$465,000)
TOTAL ADMINISTRATIVE SERVICES	\$2,122,565	\$1,815,933	\$1,945,235	\$166,514	\$2,111,749
FY12 FTE: 0.0	INSTRUCTIONAL SALARIES				
Salaries	\$3,412	\$54	\$0	\$0	\$0
TOTAL INSTRUCTIONAL SALARIES	\$3,412	\$54	\$0	\$0	\$0
FY12 FTE: 0.0	STUDENT TRANSPORTATION				
Other Charges	\$77,685	\$77,375	\$85,000	\$0	\$85,000
TOTAL STUDENT TRANSPORTATION	\$77,685	\$77,375	\$85,000	\$0	\$85,000
FY12 FTE: 0.0	FIXED CHARGES				
Other Charges	\$23,397,302	\$24,357,947	\$24,675,339	\$871,457	\$25,546,796
TOTAL FIXED CHARGES	\$23,397,302	\$24,357,947	\$24,675,339	\$871,457	\$25,546,796
FY12 FTE: 0.0	CAPITAL OUTLAY				
Other Charges	\$296,928	\$311,714	\$311,714	\$15,521	\$327,235
TOTAL CAPITAL OUTLAY	\$296,928	\$311,714	\$311,714	\$15,521	\$327,235
Grand Total	\$25,897,892	\$26,563,023	\$27,017,288	\$1,053,492	\$28,070,780
FTE FY12: 36.0					

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 2010

- 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 8th year.
- Received national recognition by receiving the GFOA Achievement for Excellence in Finance reporting award for the 5th year.
- Received Maryland Association of Boards of Education (MABE) Risk Management Assessment Incentive. (Board Goal 4)
- 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 2012

- Develop comprehensive financial, budget, and risk management policies and procedures in keeping with best and recommended practices. (Board Goal 4)
- Provide professional development opportunities for staff at all levels. (Board Goal 3)

Objectives – FY 2012

- 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. (Board Goal 4)
- Expand the use of the SmartFindExpress (SFE) system to automate teacher and substitute attendance to all schools in Harford County.

Fiscal Services

FY 2012 Funding Adjustments

The changes for FY 2012 include:

Wage Adjustments of (\$101,608):

- Social Security decreases related to wage adjustments, (\$97,298); and,
- Workers Compensation decreases related to wage adjustments, (\$4,310).

Base Budget Adjustments net change \$58,000:

- Reversal of one time budget transfer in fiscal 2011 from professional salaries, 50,000;
- Reversal of one time fiscal 2011 year transfer for healthcare consulting costs, \$8,000; and,
- To align Fiscal Services accounts based on program needs:
 - Decrease in Fixed Charges, Interest, (\$15,521),
 - Decrease in Administrative, Clerical Overtime, (\$4,800),
 - Decrease in Administrative, Printing, (\$3,000),
 - Decrease in Administrative, Copier Rental, (\$2,100),
 - Decrease in Administrative, Software, (\$2,000),
 - Increase in Fixed Charges, Principal, \$15,521,
 - Increase in Administrative, Professional Dues, \$5,400,
 - Increase in Administrative, Temporary Help, \$2,200,
 - Increase in Administrative, Other, \$2,000,
 - Increase in Administrative, Equipment Maintenance Contracts, \$1,800, and,
 - Increase in Administrative, Mileage Reimbursement, \$500.

Cost of Doing Business of \$1,015,267:

- Retirement increase for HCPS employees not in the teachers' pension, new positions and wage adjustments, \$784,274;
- Workers Compensation increase of \$75,242;
- Liability insurance increase of \$41,252;
- Social Security increases related to wage increases and new positions totaling \$15,617; and,
- Decrease in indirect costs due to reduction in projected restricted funding, \$98,882.

Red Pump Elementary School expenses of \$60,331:

- Social Security increases related to wage increases and new positions totaling \$57,765; and,
- Workers Compensation increases related to wage increases and new positions, \$2,566.

Priority List of \$11,870:

- Retirement increase for HCPS employees not in the teachers' pension, new positions and wage adjustments, \$6,306;
- Social Security increases related to wage increases and new positions totaling \$5,330; and,
- Workers Compensation increases related to wage increases and new positions, \$234.

Fiscal Services funding increased \$1,043,860 for fiscal 2012.

Fiscal Services

By Object Code	FY10 Actual	FY11 Actual	FY11 Budget	11 - 12 Change	FY12 Budget
Salaries	\$1,436,223	\$1,332,400	\$1,340,688	\$47,400	\$1,388,088
Contracted Services	\$52,201	\$40,019	\$44,700	\$7,700	\$52,400
Supplies	\$18,072	\$13,893	\$32,176	(\$3,000)	\$29,176
Other Charges	\$23,793,844	\$24,768,079	\$25,100,724	\$894,878	\$25,995,602
Equipment	\$654	\$5,579	\$13,200	(\$2,000)	\$11,200
Transfers	(\$454,159)	(\$620,379)	(\$563,882)	\$98,882	(\$465,000)
Total	\$24,846,835	\$25,539,591	\$25,967,606	\$1,043,860	\$27,011,466

Budgeted Full Time Equivalent Positions				
	FY10	FY11	Change	FY12
Admin/Supv/Assist Supv	3.0	3.0	0.0	3.0
Assistant Superintendent	1.0	1.0	0.0	1.0
Clerical	8.0	7.0	0.0	7.0
Director	2.0	2.0	0.0	2.0
Specialist	5.0	5.0	0.0	5.0
Total	19.0	18.0	0.0	18.0

By State Category	FY10 Actual	FY11 Actual	FY11 Budget	11 - 12 Change	FY12 Budget
FY12 FTE: 18.0	ADMINISTRATIVE SERVICES				
Salaries	\$1,432,810	\$1,332,346	\$1,340,688	\$47,400	\$1,388,088
Contracted Services	\$52,201	\$40,019	\$44,700	\$7,700	\$52,400
Supplies	\$18,072	\$13,893	\$32,176	(\$3,000)	\$29,176
Other Charges	\$21,929	\$21,044	\$28,671	\$7,900	\$36,571
Equipment	\$654	\$5,579	\$13,200	(\$2,000)	\$11,200
Transfers	(\$454,159)	(\$620,379)	(\$563,882)	\$98,882	(\$465,000)
TOTAL ADMINISTRATIVE SERVICES	\$1,071,507	\$792,501	\$895,553	\$156,882	\$1,052,435
FY12 FTE: 0.0	INSTRUCTIONAL SALARIES				
Salaries	\$3,412	\$54	\$0	\$0	\$0
TOTAL INSTRUCTIONAL SALARIES	\$3,412	\$54	\$0	\$0	\$0
FY12 FTE: 0.0	STUDENT TRANSPORTATION				
Other Charges	\$77,685	\$77,375	\$85,000	\$0	\$85,000
TOTAL STUDENT TRANSPORTATION	\$77,685	\$77,375	\$85,000	\$0	\$85,000
FY12 FTE: 0.0	FIXED CHARGES				
Other Charges	\$23,397,302	\$24,357,947	\$24,675,339	\$871,457	\$25,546,796
TOTAL FIXED CHARGES	\$23,397,302	\$24,357,947	\$24,675,339	\$871,457	\$25,546,796
FY12 FTE: 0.0	CAPITAL OUTLAY				
Other Charges	\$296,928	\$311,714	\$311,714	\$15,521	\$327,235
TOTAL CAPITAL OUTLAY	\$296,928	\$311,714	\$311,714	\$15,521	\$327,235
Grand Total	\$24,846,835	\$25,539,591	\$25,967,606	\$1,043,860	\$27,011,466
FTE FY12: 18.0					

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 commitment to our customers:

Service.....Savings.....Satisfaction

Accomplishments – FY 2010

- Served as an evaluation team member for the U.S. Communities National Purchasing Cooperative office Supply contract. The contract was subsequently awarded to Independent Stationers, a group of independent local office supply dealers. (Board Goal 4)
- Revised and/or created several requisition forms administered by Purchasing and used by the entire district. This has simplified and accelerated the requisitioning process. (Board Goal 4)
- Worked cooperatively with the Facilities department to secure \$750K of state grant initiative funding for an electric purchase power agreement to facilitate the placement of solar panels on the roofs of six schools. This represents \$300K more than what was originally anticipated. The additional amount received was a direct result of proactive and early involvement in the procurement process. (Board Goal 4)

Goals – FY 2012

- To encourage and fund professional development for our staff, with primary focus being for our least experienced personnel. (Board Goal 3)
- To work with the Business Services department to develop and conduct an "in-house" training for Purchasing staff members on the business relationship between purchasing, finance and budget transactions. (Board Goal 3)
- To analyze P-Card spending data to ensure compliance with established contracts. (Board Goal 4)
- To develop a Standard Operating Procedure manual for internal processes. (Board Goal 4)

Objectives – FY 2012

- Reorganize commodity assignments based on single point of contact for end users. (Board Goal 4)
- Use the Standard Operating Procedure manual to develop guidelines for timelines and required documents end users can utilize to plan for the time needed for various levels of purchases (bids/rfp's). (Board Goal 4)
- Analyze, plan and market the new office supply contract to our users for a seamless transition from our current contract provider to our new vendor. (Board Goal 4)
- Increase the use of certain contracts that may be "piggybacked" whenever they are determined to be in the best interest of HCPS. (Board Goal 4)
- Enhance the level of customer service provided to end users. (Board Goal 4)

FY 2012 Funding Adjustments

The changes for FY 2012 include:

Base Budget Adjustments net change \$20,000:

- Reversal of one time budget transfer in fiscal 2011 from professional salaries, \$20,000; and,

Purchasing

- To align Fiscal Services accounts based on program needs:
 - Decrease in Office Supplies, (\$2,392),
 - Decrease in Computer Equipment, (\$1,663),
 - Decrease in Equipment Repair, (\$1,250),
 - Decrease in Printing Supplies, (\$500),
 - Decrease in Postage/Courier Service, (\$400),
 - Decrease in Copier Rental, (\$100),
 - Increase in Other Supplies, \$2,600,
 - Increase in Other Contracted Services, \$2,000,
 - Increase in Professional Dues, \$1,455, and,
 - Increase in Books/Subscriptions, \$250.

Cost of Doing Business of (\$10,368):

- Salary variance adjustment of (\$10,368).

Purchasing Department funding increased \$9,632 for fiscal 2012.

Purchasing

By Object Code	FY10 Actual	FY11 Actual	FY11 Budget	11 - 12 Change	FY12 Budget
Salaries	\$1,009,801	\$974,420	\$994,062	\$9,632	\$1,003,694
Contracted Services	\$20,093	\$16,354	\$18,504	\$650	\$19,154
Supplies	\$11,670	\$16,262	\$18,853	(\$442)	\$18,411
Other Charges	\$8,360	\$14,687	\$12,600	\$1,455	\$14,055
Equipment	\$1,134	\$1,710	\$5,663	(\$1,663)	\$4,000
Total	\$1,051,057	\$1,023,432	\$1,049,682	\$9,632	\$1,059,314

Budgeted Full Time Equivalent Positions				
	FY10	FY11	Change	FY12
Admin/Supv/Assist Supv	1.0	1.0	0.0	1.0
Clerical	7.0	7.0	0.0	7.0
Purchasing Agent	4.0	4.0	0.0	4.0
Warehouse	6.0	6.0	0.0	6.0
Total	18.0	18.0	0.0	18.0

By State Category	FY10 Actual	FY11 Actual	FY11 Budget	11 - 12 Change	FY12 Budget
FY12 FTE: 18.0	ADMINISTRATIVE SERVICES				
Salaries	\$1,009,801	\$974,420	\$994,062	\$9,632	\$1,003,694
Contracted Services	\$20,093	\$16,354	\$18,504	\$650	\$19,154
Supplies	\$11,670	\$16,262	\$18,853	(\$442)	\$18,411
Other Charges	\$8,360	\$14,687	\$12,600	\$1,455	\$14,055
Equipment	\$1,134	\$1,710	\$5,663	(\$1,663)	\$4,000
TOTAL ADMINISTRATIVE SERVICES	\$1,051,057	\$1,023,432	\$1,049,682	\$9,632	\$1,059,314
Grand Total	\$1,051,057	\$1,023,432	\$1,049,682	\$9,632	\$1,059,314
FTE FY12: 18.0					

