

BOARD OF EDUCATION OF HARFORD COUNTY

INFORMATIONAL REPORT

**DECISION ON
Transfer between State Categories for the FY2024 Budget**

November 13, 2023

Background Information:

The Budget Office continuously monitors the status of revenues and expenditures throughout the budget cycle. At the fiscal year-end, actual expenditures cannot exceed amounts budgeted in each of the fourteen state reporting categories (Administrative Services, Mid-Level, Instructional Salaries, etc.) that comprise the HCPS Operating Budget. Inter-category budget transfers are necessary to align system resources with student needs, enrollment changes and staffing, program, facility, and service requirements.

Discussion:

Per the Blueprint section 5-213, beginning in fiscal year 2024 local school systems were to allocate \$62 per K-12 student to work with Local Workforce Development Board to implement career counseling for all 6-12 grade students. HCPS budgeted those funds in 103 Instructional Salaries because we thought HCPS was going to hire staff to provide those career counseling services. As the MOU was being developed between Susquehanna Workforce Network (SWN), Harford Community College and HCPS, and after receiving clarification from Maryland State Department of Education and the Accountability and Implementation Board, it became clear most of the funds were to be transferred to SWN. To facilitate that process an inter-category transfer is necessary between 103-Instructional Salaries and 105-Other Instructional Costs. The calculation for the transfer is:

Calculation for SWN Career Counselor Transfer		
K-12 Enrollment 9/30/22	37,067.58	
\$62 per student	<u>\$ 62</u>	
Total Allocation		\$ 2,298,190
HCPS Employee Salary and Benefits		<u>\$ (144,792)</u>
Funds to transfer to SWN (transfer 103 to 105)		<u>\$ 2,153,398</u>

Superintendent's Recommendation:

The Superintendent recommends the approval of the inter-category budget transfer in the amount of \$2,153,398, in accordance with Section 5-105 of the Education Article of the Annotated Code of Maryland.

Harford County Public Schools

Inter-Category Operating Budget Transfer #1 for Fiscal Year 2024

RE: Fiscal Year 2024 Budget Alignment
 DATE: Nov. 13, 2023

Fiscal Year: 2023-2024

Accounting Unit	Expense	Description	Expense	Present Appropriation	Transfer	Revised Appropriation
105-xxx-010-625	88500	Other Instructional Costs - Guidance	Other Transfers	\$0	\$2,153,398	\$2,153,398
					\$2,153,398	

Account Number	Expense	Description	Expense	Present Appropriation	Transfer	Revised Appropriation
103-xxx-001-xxx	51100	Instructional Salaries	Professional-Regular Program	\$163,254,576	-\$2,153,398	\$161,101,178
					-\$2,153,398	

JUSTIFICATION: Starting in FY2024, per the Blueprint, LEA's are required to allocate to the local workforce board \$62 for each K-12 student to provide career counseling services. HCPS budgeted these funds in the state category 103 Instructional Salaries, because we believed that we were going to hire the career counselors. We received guidance from the AIB that the funds should be sent directly to the local workforce board. This transfer allows us to correctly account for that process.

Inter-Category Operating Budget Transfer Approval

 Date Superintendent of Schools

 Date President, Board of Education of Harford County

 Date Harford County Executive

 Date President, County Council of Harford County

Please Return One Copy To: Superintendent of Schools
 102 South Hickory Avenue
 Bel Air, MD 21014