

Montgomery County Public Schools

FY 2008 OPERATING BUDGET

Program Reductions and Efficiencies

Each year, the Montgomery County Public Schools (MCPS) undertakes a comprehensive effort to identify potential program reductions and efficiencies. This is called the Program Efficiency, Abandonment, and Redirection (PEAR) process. For FY 2008, the Operating Budget includes \$5.0 million of reductions and efficiencies that make resources available for new programs and higher priority uses. Below are details of the FY 2008 reductions.

- Every office receives a target of potential reductions and realignments at the beginning of the budget development process. These proposals are carefully assessed to minimize the impact on the classroom.
- Zero-based budgeting is used to review and justify all expenditures and identify opportunities for reductions.
- Since FY 2001, the budget has included reductions of \$64.5 million from the base budget, making possible funding for higher priority initiatives.
- MCPS has central administrative costs of 2 percent of the total budget, one of the lowest percentages in the state. Based on the most recent state data, if MCPS were at the state average, central administrative costs would be at least \$13.4 million higher.

Offices of the Chief Operating Officer and Human Resources

Efficiencies in the provision of support services, totaling \$2,096,820, including:

- Savings in utility consumption due to relamping and other efficiencies - \$1,248,594
- Reduction in tuition for university partnerships for new teachers - \$400,000
- Transportation savings from four-day week for summer special education programs (ESY) -\$178,226
- Reduction of school visiting bookkeeper program - \$40,000
- Elimination of loss prevention study - \$200,000
- Other reduced expenses - \$30,000

Office of Curriculum and Instructional Programs

Reduction of a total of \$396,113 in a variety of central office units, including professional part-time salaries, instructional materials, office supplies, and contractual services

Office of Organizational Development

- Reduction of skillful teacher project to reflect lower participation - \$300,000
- Reduction of new teacher induction project to reflect fewer numbers of new teachers hired - \$203,380

Office of Information and Organizational Systems

A total of \$618,835 in savings and efficiencies due to a variety of reductions in contractual services, consultants, training costs, hardware, software, supplies, and local travel

Inflationary Adjustment

Reducing the assumption for inflation in textbooks and instructional materials to 3 percent
- \$792,024

12/06