

MONTGOMERY COUNTY PUBLIC SCHOOLS, ROCKVILLE MARYLAND

THE SUPERINTENDENT'S RECOMMENDED

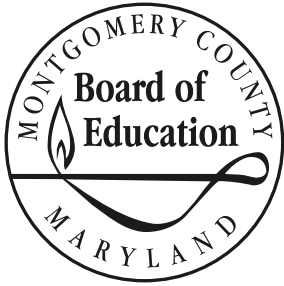
FY 2017 OPERATING BUDGET and Personnel Complement

Recommended to the Board of Education
December 2015

Fiscal and School Year Ending
June 30, 2017

Mr. Larry A. Bowers
Interim Superintendent of Schools





VISION

We inspire learning by providing the greatest public education to each and every student.

MISSION

Every student will have the academic, creative problem solving, and social emotional skills to be successful in college and career.

CORE PURPOSE

Prepare all students to thrive in their future.

CORE VALUES

*Learning
Relationships
Respect
Excellence
Equity*



montgomeryschoolsmd.org

Check out the MCPS website for more detailed information about the FY 2016 Recommended Operating Budget.

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MONTGOMERY COUNTY PUBLIC SCHOOLS
MARYLAND
www.montgomeryschoolsmd.org

December 8, 2015



Dear Members of the Board of Education:

I am pleased to submit for your consideration my Fiscal Year (FY) 2017 Operating Budget recommendation for Montgomery County Public Schools (MCPS). I am recommending an FY 2017 Operating Budget of \$2,453,323,284, which will help to build the foundation and structure that is needed to ensure that all MCPS students are ready to graduate from high school and are prepared to be successful in college and careers.

My recommendation includes an increase of \$103.0 million to fund the same level of services for a growing number of students, previously negotiated agreements, rising costs in operations, and strategic enhancements. Part of this increase is offset by savings generated by program efficiencies and reductions. The \$103.0 million represents a 4.5 percent increase in the operating budget compared to FY 2016.

An additional \$24.0 million of funding will be needed to restore one-time funding that was used by the Montgomery County Council to fund the FY 2016 Operating Budget. In addition, \$7.9 million of additional funding is needed to cover increased costs related to the teacher pension shift from the state to the county that began a few years ago. When these two amounts are added, my budget recommendation represents an increase of \$134,934,348 more than the approved FY 2016 Operating Budget, an increase of 5.8 percent.

As we begin our discussions on the budget, it should be noted that our community continues to receive a strong return on the investment they make in our students. For instance, consider the performance of the MCPS Class of 2015:

- Two-thirds of our graduates took at least one Advanced Placement (AP) exam while in high school, and more than half earned a college-ready score on at least one exam;
- Our graduates earned a combined average score of 1629 on the SAT, which is 139 points higher than the nation and 167 points higher than the state of Maryland; and
- Our students earned \$335 million in college scholarships.

Although our students collectively are performing at a high level compared to other students across the nation, we continue to recognize that we have not served all students as well as we would like. Although progress has been made in graduation rates, dropout rates, suspensions, and AP access, there is more work to be done. We must increase our efforts to close the achievement gap in all areas.

September 21, 2015. This budget is developed around the core values of Learning, Excellence, and Equity, with a focus on closing the achievement gap.

We cannot continue to operate at the funding levels we have received during the past eight years following the economic downturn experienced starting in 2008. I recognize that the county and the state both have faced difficult economic and budgetary challenges since that time. However, we cannot continue to fund the MCPS Operating Budget as we have in the past and expect the school system and our schools to meet our targets and close the achievement gap.

Between FY 2009 and FY 2016, we have eliminated more than 1,800 positions and \$210 million from the budget. Nearly 300 of these positions and more than \$53 million have been from central services. Simply put, we cannot cut more positions from the budget and expect to maintain and improve our students' performance in the classroom. We cannot continue to fund the MCPS operating budget at the minimal funding level of Maintenance of Effort (MOE) and, at the same time, use one-time funding sources to fund a recurring budget, including savings from hiring freezes and expenditure restrictions, to build up an MCPS fund balance to fund the next year's budget. Funding at MOE is a misnomer as it simply means the county is required to fund the same dollar amount per pupil as the prior year. It does not maintain the same level of services because it does not provide the resources to address inflation; the increasing cost of health benefits for our employees and retirees; salary increases for our current employees; and utility costs to heat, cool, and light our schools. With rising costs, funding MCPS at the minimum funding level required by state law means funding at less per student than before.

Managing Growth

The projected enrollment for the 2016–2017 school year is 159,016, or 2,502 more students than what was budgeted for the 2015–2016 school year. This is the eighth year in a row that our enrollment has increased by at least 2,000 students, and the trend is expected to continue. While most of the growth during the past several years has occurred in elementary schools, we are anticipating dramatic increases in secondary school enrollment in the coming years as this current enrollment bubble moves into middle and high school. By the 2021–2022 school year, enrollment is expected to reach 166,598 students, an increase of more than 10,000 students from the current fiscal year.

In order to manage our expected growth in student enrollment, my budget recommendation adds more than 247 positions, including 140.5 general elementary/secondary positions, 58.0 positions for special education services, and 32.6 positions to serve our growing population of students who receive English for Speakers of Other Languages (ESOL) services. We also need 35.1 positions to open the new Clarksburg/Damascus Middle School, plan for a new middle school in the Bethesda/Chevy Chase Cluster, and open additional space at several existing schools.

Strategic Priority Enhancements

This budget recommendation includes \$2.8 million in strategic priority enhancements, including 13.0 new positions. These resources support efforts that build on our ongoing work and address our long-standing challenges in new and innovative ways. The enhancements will help our mission to close the achievement gap, implement the Common Core State Standards, and ensure that students are college and career ready. These enhancements are reflected in each of the district's five strategic priorities including: (1) strengthen the foundation for academic success; (2) focus on accountability and results; (3) focus on human capital management; (4) strengthen partnerships and engagement; and (5) enhance our culture of collaboration and respect.

These strategic priority enhancements include funding to conduct a review of the Dual Language program and provide for professional learning to strengthen the program; professional development to support literacy and mathematics; 4.0 teachers and funding to expand the Students Engaged in Pathways to Achievement program; funding to strength our Career and Technology Education pathways to enhance the career readiness of our students; funding to help develop and organize transition opportunities for students; funding for our Student to Educator Pathway program; funding to expand the Achieving College Excellence and Success program to two additional schools; 5.0 additional parent community coordinators focusing on schools with Free and Reduced-price Meal System totals that exceed 40 percent; 4.0 equity specialists for our Equity Initiatives Unit to lower the number of schools that each specialist is assigned; and funding for the Minority Achievement University Partnerships focusing on students interested in pursuing a career or degree in one of the science, technology, engineering, and mathematics fields.

I also am recommending organizational changes that are intended to better focus our work around the strategic priorities. This includes reestablishing the chief of staff position in the Office of the Superintendent of Schools, and assigning the Office of Communications and the departments of Shared Accountability and Partnerships to the chief of staff. The organizational changes include establishing the Office of Student Services and Family Engagement, reporting directly to the chief academic officer. This new office combines the Department of Student Services and the Department of Family and Community Engagement. We also will consolidate parent community coordinators, ESOL counselors, and ESOL transition counselors to better serve families and students. Other resources in the Division of ESOL/Bilingual Services will be realigned to the three departments in the Office of Curriculum and Instructional Programs. Finally, Study Circles will be realigned to the Equity Initiatives Unit to support our focus on cultural proficiency in all of our schools.

A Budget Developed in Collaboration with our Partners

As it has been for the last several years, this budget recommendation was developed in partnership with our employees and parents/guardians. I want to thank the leadership of the Montgomery County Association of Administrators and Principals, the Montgomery County Education Association, and the Service Employees International Union Local 500 for their collaboration and commitment during the budget development process. I also am grateful to the leaders

of the Montgomery County Council of Parent-Teacher Associations, Inc., who were involved in the development of this budget recommendation. This fall, we added representatives of the African American Student Achievement Action Group and the Latino Student Achievement Action Group to the discussion on the development of the MCPS operating budget. I also appreciate the dedication and cooperation of our executive leadership team and other MCPS staff in the development of this recommendation.

This will be the last budget that I have developed here at MCPS, but in many respects it is the most important budget on which I have worked. At the beginning, I said this budget is about building a strong foundation for our school district for the years ahead. I look forward to working with the Board of Education on my recommended FY 2017 Operating Budget. I believe this budget reflects our core values, is an investment in our children, and is an indication of our commitment to providing all students in Montgomery County with an education that prepares them to be successful in their futures.

Sincerely,

A handwritten signature in cursive script that reads "Larry A. Bowers".

Larry A. Bowers
Interim Superintendent of Schools

LAB:AMZ:tpk