

THE FISCAL YEAR 2016 OPERATING BUDGET GUIDE

A MESSAGE FROM THE DIRECTOR OF THE DEPARTMENT OF MANAGEMENT, BUDGET AND PLANNING (DMBP)

This Fiscal Year (FY) 2016 Operating Budget guide has been developed to explain the budgetary process for Montgomery County Public Schools (MCPS) and promote a clear understanding of budget requirements. The FY 2016 Operating Budget Development Schedule and Budget Review Schedule is provided in **Appendix A. Budget submissions are due to DMBP on September 12, 2014 (the K-12 and Office of Special Education and Student Services submissions are due September 26, 2014).** It is critical that these submissions be complete and on time. Executive leadership will need to schedule time to meet with their units to review requests prior to this date.

Building on the successful approach of school-level workgroups that met last summer, workgroups will meet again this summer to provide budget recommendations on how to help close the achievement gap. The groups will review the Board of Education's budget interests and build on what we have included in our multiyear budget plan. The budget process continues to include the Budget Steering Committee consisting of the Deputy Superintendent for School Support and Improvement, the Chief Academic Officer, the Chief Operating Officer, employee association leaders, Montgomery County Council of Parent Teacher Associations representatives, and staff. As in prior years, the Budget Steering Committee will review your budget proposals including the justification of all requests for funds.

The Montgomery County Council appropriated the FY 2015 Operating Budget at the minimum funding level required under the state's Maintenance of Effort law. In addition, the County Council reduced the Board of Education's budget request by \$40.5 million by using reserve funds from MCPS health care trust funds. The County Council also used \$38.2 million from the MCPS fund balance to fund the FY 2015 Operating Budget. For FY 2016, if MCPS receives a county contribution at the maintenance of effort level, at least \$135 million will be needed to replace the one-time funding sources used for the FY 2015 Operating Budget, to meet the district's ongoing obligations, to keep up with its growth, and to continue to invest in strategies that will help MCPS close the achievement gap. As a result, there will be little opportunity for new or expanded program initiatives, and we will again be forced to examine base budget reductions.

The Department of Management, Budget, and Planning looks forward to working with you as you develop your FY 2016 operating budget request. If you have any questions or need assistance, please contact me or your management and budget specialist. Thank you for your dedication and cooperation in support of the MCPS FY 2016 Operating Budget development process.

Thomas P. Klausning, Director