

APPROVED
8-1998

Rockville, Maryland
February 3, 1998

The Board of Education of Montgomery County met in a special session at the Carver Educational Services Center, Rockville, Maryland, on Tuesday, February 3, 1998, at 7:35 p.m.

ROLL CALL Present: Mrs. Nancy J. King, President
 in the Chair
 Dr. Alan Cheung
 Mr. Blair G. Ewing
 Mr. Reginald M. Felton
 Mrs. Beatrice B. Gordon
 Ms. Ana Sol Gutiérrez
 Ms. Mona M. Signer
 Ms. Debra Wheat
 Dr. Paul L. Vance, Secretary/Treasurer

Absent: None

()indicates student vote does not count. Four votes needed for adoption.

The meeting was called to order at 7:35 p.m.

Re: **ANNOUNCEMENT**

Mrs. King announced that the Board of Education would continue with preliminary action and final action on the operating budget would take place on February 5, 1998.

Re: **SUPERINTENDENT'S RECOMMENDED FY 1999
OPERATING BUDGET, AS AMENDED BY THE
SUPERINTENDENT**

On recommendation of the Superintendent and on motion of Mr. Felton seconded by Mrs. Gordon, the following resolution remained on the table from February 2, 1998:

WHEREAS, The Superintendent of Schools recommended an FY 1999 Operating Budget of \$939,513,045 excluding grant funds and enterprise programs, and a total FY 1999 appropriation of \$1,017,650,965; and

WHEREAS, Additional federal revenue of \$100,000 is anticipated for the Medical Assistance project to be used for assistive technology for students with disabilities and compliance with federal medical assistance reimbursement requirements; and

WHEREAS, Additional federal revenue of \$1,000,000 is anticipated for the Individuals with Disabilities Education Act (IDEA) for FY 1999 to be used for additional services for

students with disabilities based on revised enrollment projections, and to cover needs to be required because of IDEA reauthorization and the consequent revision of COMAR guidelines; and

WHEREAS, Transportation savings of \$42,000 are estimated due to the replacement of two early release days for Success for Every Student with one professional development day for all employees in the 1998-1999 school calendar; and

WHEREAS, Funds need to be set aside for the development and implementation of the new teacher evaluation system (\$250,000) in FY 1999; and

WHEREAS, Continued progress on the Year 2000 Computer Compliance Project requires funding of \$2,000,000 of high priority items to be recommended by the Office of Global Access Technology from subprojects not approved by the County Council as an FY 1998 supplemental appropriation; and

WHEREAS, The Superintendent's FY 1999 Recommended Operating Budget totals \$941,721,045 as amended excluding grants and enterprise funds, with a total requested appropriation of \$1,020,986,965 now therefore be it

Resolved, That the Board of Education approve the Superintendent's FY 1999 Recommended Operating Budget as amended of \$941,721,045 excluding grants and enterprise funds and a total appropriation of \$1,020,986,965; and be it further

Resolved, That the Board of Education requests the Superintendent to present options for submission of nonrecommended reductions required by the spending affordability guidelines before its meeting on February 23, 1998.

CHAPTER TWO - OFFICE OF INSTRUCTION AND PROGRAM DEVELOPMENT

Re: DISCUSSION

Mr. Ewing continued his inquiry about the Intensity 4 and 5 services in the Blair Cluster. The response from staff indicated that there was a plan for each middle school in the cluster. Also, he observed that there was currently no plan in the cluster for Intensity 5 services for special education students. Dr. Smith indicated that staff would be meeting with the parents regarding special education placements.

Mr. Ewing indicated there was a \$1.7 million decrease in the availability of funds for special education and therapists for Intensity 4 and 5 students. Mr. Ewing asked to what extent did the revised enrollment projects and funding meet the needs of that program. Mr. Bowers replied that the funding kept the standards, as they were adopted last year.

After further discussion on this topic, Mr. Ewing moved to add \$1.7 million to restore the funding to the FY 1997 level; there was no second. Mr. Ewing moved to add \$850,000 to begin to restore the funding to the FY 1997 level; there was no second.

After comparing the amounts budgeted and the actual expenditures, Ms. Signer stated that the FY 1999 Operating Budget for legal fees was \$1.5 million less than the anticipated expenditures for FY 1998. Dr. Spatz replied that through several strategies, including a plan to reduce legal fees, the amount budgeted for FY 1999 would be sufficient.

Ms. Signer asked if all social services assistants in Head Start were funded by the federal government. Dr. Smith replied that half were funded through the federal grant and half were funded by local dollars. Ms. Signer stated that the national Head Start staffing ratio was 1 to 35, and she asked if that was a guideline or a mandate. Dr. Smith replied that it was a guideline upon which the federal government reviewed the program. Given the fact that there were two additional positions in the FY 1999 budget and enrollment was declining, Ms. Signer asked why the school system was not using those two positions to displace positions that were currently funded by the county. Dr. Smith replied that Head Start money came through different grants, and in that particular grant the grant request stated that those two positions would be added to the Head Start program. Ms. Signer continued to be troubled by the number of positions in early childhood education that do not deal directly with students. It is an incredible amount of administrative overhead and she planned to spend time in the next few months to ascertain if consolidation within the program was feasible.

Ms. Gutiérrez pointed out that the Head Start program was composed of home and health components and the in-school services were just one important part of the program. To characterize these positions as administration was not accurate since they provide essential services to the families and students. Ms. Signer commented that she was very familiar with the Head Start program.

Mr. Ewing stated that legal services has exceeded the amount budgeted for many years, and he did not believe that the amount in the FY 1999 would be sufficient to cover the legal expenditures. Mr. Bowers indicated that the amount budgeted was a significant increase and with the plan to reduce legal fees, he felt it was an appropriate amount. Mr. Ewing thought there needed to be a bold approach in order to avoid categorical transfers. He proposed adding six attorneys and \$400,000 for legal services; there was no second. He predicted that the school system would have the same problem in FY 1999 as it has had over the years.

Ms. Signer commented that she was supportive of the idea of hiring more in-house attorneys, and she might look at realigning the legal fees that were in the budget. Her preference was that MCPS hire an in-house general counsel rather than continue to use

outside counsel for the general counsel. She was not prepared to make that type of reorganization at the Board table.

Mr. Ewing stated that the supports for teachers with inclusion and mainstream students continued to be a problem. It was his understanding that those students were not counted in the class size, and he asked what policy applied to those situations. Mr. Bowers stated that special education students are not counted in the budget calculations.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Instructional Assistants)**

On motion of Mr. Ewing and seconded by Ms. Gutiérrez to add 20 instructional assistants for the purpose of mainstreaming and inclusion as well as assisting teachers that are challenged with diversity in the classroom in FY 1999 (\$486,720) failed with Mr. Ewing, Ms. Gutiérrez, and (Ms. Wheat) voting in the affirmative; Mrs. Gordon, Mrs. King, and Ms. Signer voting in the negative; Dr. Cheung and Mr. Felton abstaining.

Re: **DISCUSSION**

Mr. Ewing pointed out that during the public hearing there was testimony that the workload of the transition coordinator has increased. Dr. Smith replied that the ages of students mandated to receive transition services has increased from 16 to 21 years of age to 14 to 21 years of age. Mr. Ewing moved an additional position within the unit at a cost of \$59,102; there was no second. Mr. Ewing moved an additional half a position within the unit at a cost of \$29,551; there was no second.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Stephen Knolls and Longview Schools)**

On motion of Mr. Ewing and seconded by Ms. Gutiérrez to add a position for Stephen Knolls and Longview schools in order for each school to have a director/coordinator in FY 1999 (\$77,291) failed with Mr. Ewing and Ms. Gutiérrez voting in the affirmative; Mr. Felton, Mrs. Gordon, Mrs. King, and Ms. Signer voting in the negative; Dr. Cheung and (Ms. Wheat) abstaining.

CHAPTER 3 - OFFICE OF GLOBAL ACCESS TECHNOLOGY

Dr. Cheung questioned computer prices and referred to Apple computers costing 1.4 times more than IBM compatible machines. If the IBM clones are purchased, the same money would purchase 198 more machines than Apple computers. Ms. Marks replied that the school system gets a better price than what was advertised on the Web pages. Apple had a confidential price list from which MCPS selected machines for purchase. Gateway computers were more expensive than advertised because of the warranty and technical

support. Dr. Cheung had not heard an answer regarding the amount of money spent and how many more computers could be purchased using clones. He stated that Global Access was losing money by consistently purchasing Apples computers.

Mr. Felton pointed out that he had a new business item addressing this issue, and he was assured by staff that the Board would have information within 30 days.

CHAPTER 4 - OFFICE OF PUPIL AND COMMUNITY SERVICES

There were no questions or amendments.

CHAPTER 5 - BOARD OF EDUCATION AND SUPERINTENDENT'S OFFICE

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Contractual Services)**

On motion of Mrs. Gordon and seconded by Ms. Signer to add \$30,000 in contractual funds for a Superintendent search in FY 1999 failed with Mrs. Gordon, Mrs. King, Ms. Signer, and (Ms. Wheat) voting in the affirmative; Dr. Cheung, Mr. Ewing, Mr. Felton, and Ms. Gutiérrez voting in the negative.

Mr. Ewing was in favor of spending an amount that would produce a first class consultant in the search to hire a new Superintendent, but he did not vote for the amendment because the Board had voted down amendments that would improve services for students.

Mrs. Gordon moved to reduce the amount budgeted for legal fees by \$30,000; there was no second.

CHAPTER 6 - OFFICE OF FINANCIAL MANAGEMENT

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Activity Fees)**

On motion of Mr. Ewing and seconded by Ms. Gutiérrez to abolish activity fees in FY 1999 (\$725, 000) failed with Mr. Ewing and Ms. Gutiérrez voting in the affirmative; Dr. Cheung, Mr. Felton, Mrs. Gordon, Mrs. King, and (Ms. Wheat) voting in the negative; Ms. Signer abstaining.

For the record, Mr. Ewing stated that the intent of the motion was not to eliminate programs, but to eliminate the fees for the programs and to pay for those programs out of public funds.

Re: DISCUSSION

Referring to the \$2 million in the budget to replace the amount that was drawn down last year from the Retiree Health Benefit Trust Fund, Ms. Signer verified that it was the intent of the County Council that the school system should stop prefunding this fund. She asked if the \$2 million was not repaid that was used last year, the net effect would be \$280,000 for each year until 2005. Mr. Bowers replied that it would be closer to \$400,000. Ms. Signer stated that the intent was that all this money would be spent, and it was a matter of what rate it would be spent. Mr. Bowers replied yes, and the school system had tried to smooth it out so that there would not be a significant increase in one year.

**Re: AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Retiree Health Benefit Trust Fund)**

On motion of Ms. Signer and seconded by Mrs. Gordon to delete from the budget the \$2 million to repay the Retiree Health Benefit Trust Fund failed with Mrs. Gordon, Mrs. King and Ms. Signer voting in the affirmative; Dr. Cheung, Mr. Ewing, Mr. Felton, and Ms. Gutiérrez voting in the negative.

On motion of Mr. Ewing and seconded by Dr. Cheung the following: to create a unit to develop and institutional advancement with a grants specialist and liaisons to the Education Foundation and Community Resource Bank and that would solicit funds from grants as well as work more intensely with a wide range of community groups to seek increased revenues.

Re: DISCUSSION

Dr. Cheung strongly supported the motion because there was the potential for millions of dollars available. MCPS has the talent to tap into those resources.

Mrs. Gordon had a problem with reorganization as part of the budget process. The Board should ask the Superintendent to come forward with a recommendation for reorganization to place similar positions into one unit.

Mr. Ewing stated that in practice the Board had always done that. The reason the Board does that is because the Superintendent does not always come forward with proposals that meets the Board expectations. Mr. Ewing withdrew his motion and asked the Superintendent to review and plan and give the Board his views.

CHAPTER 7 - OFFICE OF SUPPORTIVE SERVICES**Re: BELL TIMES**

On motion of Ms. Signer and seconded by Ms. Wheat the following: to schedule a hearing on bell times in March and schedule action by the Board in April was placed on the table.

Re: DISCUSSION

Ms. Signer stated that the reason for a public hearing would be that the Board needs to gage the public reaction to the Superintendent's report and his proposals for alternatives, a pilot program, and whether there was sufficient interest to change the bell times. She stated that the school system could conduct a survey through the Department of Educational Accountability at a cost of approximately \$60,000, but she thought the Board could accomplished as much through a hearing.

Mr. Felton was concerned that the motion was not a budget issue, and he preferred that this motion be dealt with at a regular business meeting. If the issue was to get a sense of the community on bell times, a hearing might be too limited.

Mr. Ewing believed that the motion was out of order since there are rules governing new business items.

Mrs. Gordon thought that a public hearing was not the best way to hear views of 125,000 people. The timeline was very short to get notification to the public for hearing and disseminating the report to the public.

Ms. Signer agreed to move this item to the February 10, 1998, Board meeting. Her interest was the time frame and to schedule a hearing and meet prior to the end of the school year for possible implementation of new bell times in the fall of 1998.

Mrs. King ruled the motion out of order and suggested that it be brought before the Board on February 10, 1998.

Re: BUS SERVICE FOR ATHLETIC EVENTS

Ms. Signer asked if it would cost \$175,000 to use charter bus services one way for athletic events. Because the way school buses are scheduled, students must leave school after lunch for a game that will start at 5 p.m. Therefore, students are losing academic time. She asked if the savings realized last year with the cluster-based special education transportation would continue based on expansion of that model. Dr. Spatz replied that there was a savings of \$50,000 last year, and there might not be the same level of savings this year depending on the clusters and programs involved in the model.

Ms. Signer asked if the school system used a private bus service to take the students to the athletic events, would it be the same private bus services used for field trips. Dr. Spatz replied that the difficulty with that concept might be that charter companies might not bid to provide that service.

Ms. Signer asked if the individual schools could contract for private bus service and would it cost \$175,000. Mr. Bowers stated that would be the cost, but the issue would be if the buses would be available on a consistent basis to ensure that teams met the athletic schedule.

Ms. Gutiérrez commented that from the bell time report she found it most useful in learning what was done with athletic transportation. She was under the impression that bell times and athletic transportation were scheduled very closely and a later release time would destroy athletic events. As a practice, students were leaving very early to participate in athletic events. The Board had never focused on this from an instructional standpoint. Because the students are transported so early, they must wait around for several hours. That was a serious problem. She hoped this would be put on a Board agenda for future discussion and possible action on a policy.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(BUS SERVICE FOR ATHLETIC EVENTS)**

On motion of Ms. Signer and seconded by Mrs. Gordon to add \$175,000 to contract for athletic bus service in FY 1999 and with an offset savings within the transportation budget failed with Mrs. Gordon and Ms. Signer voting in the affirmative; Dr. Cheung, Mr. Ewing, Mr. Felton, Ms. Gutiérrez, Mrs. King, and (Ms. Wheat) voting in the negative.

Mr. Felton asked when there was an assessment of the security issues at a school, how was that analysis done, when it is done, and if equipment and technology were considered.

Mr. Ewing requested that the Board be notified on February 10 as to the Council's decision on deferred maintenance costs.

CHAPTER 8 - ENTERPRISE FUNDS

There were no amendments.

Re: **BUDGET APPROVAL PROCESS**

Mrs. King noted that there had been no amendments to the operating budget to this point. She asked for the sense of the Board in whether to finish the approval process at this meeting or whether the Board wanted to come together on February 5 for final action.

Mr. Ewing thought the Board should take some additional time to discuss staff development, Oak View Elementary School, all-day kindergarten, and staff for magnet and special programs. He suggested that final action on the budget should take place on February 5, 1998, since there were more items to discuss and community members were planning on attending that meeting.

Mrs. Gordon had no problem with taking final action on the budget at this meeting. When the Board agreed to the procedures, it was the consensus that no new items or amendments would be brought to the Board on the final evening (February 5). She hoped that final action could be taken at this meeting.

Ms. Signer agreed with Mrs. Gordon and wanted to take final action on the budget at this meeting.

Ms. Gutiérrez did not think that the Board was ready to take final action at this meeting. She would like the opportunity to make a motion on all-day kindergarten with input from staff. Also, there are issues regarding the Superintendent's green sheet that had not been discussed. She preferred adhering to the scheduled meetings.

Mr. Felton had one item for reconsideration, and he was willing to do that at this meeting.

Dr. Cheung agreed with Mrs. King that there were no amendments on the table, but Mr. Ewing indicated there were some unresolved issues. The community expected that the final action on the budget would be February 5, 1998.

RESOLUTION NO. 44(a)-98 Re: BUDGET APPROVAL PROCESS

On motion of Ms. Signer and seconded by Mrs. Gordon, the following motion was adopted with Mr. Felton, Mrs. Gordon, Mrs. King, and Mrs. Gordon voting in the affirmative; Dr. Cheung, Mr. Ewing, and Ms. Gutiérrez voting in the negative:

Resolved, That the Board of Education take final action on the FY 1999 Operating Budget at its February 3, 1998, meeting after addressing all pending matters.

Re: BREAK

The Board of Education took a break from 9:55 to 10:10 p.m.

**RESOLUTION NO. 45-98 Re: AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Signature and Magnet Programs)**

On motion of Mr. Felton and seconded by Mr. Ewing, the following resolution was adopted unanimously:

Resolved, That the Board of Education place \$150,000 in the FY 1999 Operating Budget to support the secondary school signature and magnet programs, and that those funds be allocated at the discretion of the Superintendent.

RESOLUTION NO. 46-98 Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Superintendent Search)**

On motion of Mr. Felton and seconded by Mrs. Gordon, the following resolution was adopted with Mr. Felton, Mrs. Gordon, Mrs. King, Ms. Signer, and (Ms. Wheat) voting in the affirmative; Dr. Cheung, Mr. Ewing, and Ms. Gutiérrez voting in the negative:

Resolved, That the Board of Education place \$50,000 in contractual funds in the FY 1999 Operating Budget to support a Superintendent search.

Ms. Gutiérrez made the following statement for the record: "I did not support it because I do not think it will really allow us to do the first class search that is needed. I would have supported a larger amount."

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(All-day Kindergarten)**

On motion of Ms. Gutiérrez and seconded by Mr. Ewing to add 15 FTE all-day kindergarten teachers to be allocated focusing on educational load and space available in FY 1999 (\$577,125) failed with Dr. Cheung, Mr. Ewing, Ms. Gutiérrez and (Ms. Wheat) voting in the affirmative; Mrs. Gordon, Mrs. King, and Ms. Signer voting in the negative; Mr. Felton abstaining.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(All-day Kindergarten)**

On motion of Mr. Ewing and seconded by Ms. Gutiérrez to add 8 FTE all-day kindergarten teachers to be allocated focusing on educational load and space available in FY 1999 (\$307,800) failed with Dr. Cheung, Mr. Ewing, Ms. Gutiérrez and (Ms. Wheat) voting in the affirmative; Mrs. Gordon, Mrs. King, and Ms. Signer voting in the negative; Mr. Felton abstaining.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(All-day Kindergarten)**

On motion of Mr. Ewing and seconded by Ms. Gutiérrez to add 4 FTE all-day kindergarten teachers to be allocated focusing on educational load and space available in FY 1999 (\$153,900) failed with Dr. Cheung, Mr. Ewing, Ms. Gutiérrez and (Ms. Wheat) voting in the

affirmative; Mrs. Gordon, Mrs. King, and Ms. Signer voting in the negative; Mr. Felton abstaining.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(All-day Kindergarten)**

On motion of Ms. Gutiérrez and seconded by Mr. Ewing to add 1 FTE all-day kindergarten teachers to be allocated focusing on educational load and space available in FY 1999 (\$38,475) failed with Dr. Cheung, Mr. Ewing, Ms. Gutiérrez and (Ms. Wheat) voting in the affirmative; Mrs. Gordon, Mrs. King, and Ms. Signer voting in the negative; Mr. Felton abstaining.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Staff Training)**

On motion of Mr. Ewing and seconded by Ms. Gutiérrez to add funds to supplement the Superintendent's proposal for staff training in FY 1999 (\$300,000) failed with Dr. Cheung, Mr. Ewing, Ms. Gutiérrez and (Ms. Wheat) voting in the affirmative; Mr. Felton, Mrs. Gordon, Mrs. King, and Ms. Signer voting in the negative.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Oak View Elementary School)**

On motion of Mr. Ewing and seconded by Dr. Cheung to add six teachers to Oak View Elementary School for a staffing ratio of 18:1 in FY 1999 (\$230,850) failed with Dr. Cheung, Mr. Ewing, Ms. Gutiérrez and (Ms. Wheat) voting in the affirmative; Mr. Felton, Mrs. Gordon, and Mrs. King voting in the negative; Ms. Signer abstaining.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Oak View Elementary School)**

On motion of Mr. Ewing and seconded by Dr. Cheung to add two teachers to Oak View Elementary School utilized in accordance with the Superintendent's plan in FY 1999 (\$76,950) failed with Dr. Cheung, Mr. Ewing, Ms. Gutiérrez and (Ms. Wheat) voting in the affirmative; Mr. Felton, Mrs. Gordon, and Mrs. King voting in the negative; Ms. Signer abstaining.

RESOLUTION NO. 47-98

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Retiree Health Benefit Contribution)**

On motion of Ms. Signer and seconded by Mrs. Gordon, the following resolution was adopted with Mr. Felton, Mrs. Gordon, Mrs. King, and Ms. Signer voting in the affirmative; Dr. Cheung, Mr. Ewing, and Ms. Gutiérrez voting in the negative:

Resolved, That the Board of Education reduce the contribution to the Retiree Health Benefit Trust Fund by \$200,000 to offset the costs of the two amendments.

Re: THE 1999 OPERATING BUDGET

On recommendation of the Superintendent and on motion of Ms. Signer seconded by Mrs. Gordon, the following resolution, as amended, was placed on the table:

WHEREAS, The Superintendent of Schools recommended an FY 1999 Operating Budget of \$939,513,045 excluding grant funds and enterprise programs, and a total FY 1999 appropriation of \$1,017,650,965; and

WHEREAS, Additional federal revenue of \$100,000 is anticipated for the Medical Assistance project to be used for assistive technology for students with disabilities and compliance with federal medical assistance reimbursement requirements; and

WHEREAS, Additional federal revenue of \$1,000,000 is anticipated for the Individuals with Disabilities Education Act (IDEA) for FY 1999 to be used for additional services for students with disabilities based on revised enrollment projections, and to cover needs to be required because of IDEA reauthorization and the consequent revision of COMAR guidelines; and

WHEREAS, Transportation savings of \$42,000 are estimated due to the replacement of two early release days for Success for Every Student with one professional development day for all employees in the 1998-1999 school calendar; and

WHEREAS, Funds need to be set aside for the development and implementation of the new teacher evaluation system (\$250,000) in FY 1999; and

WHEREAS, Continued progress on the Year 2000 Computer Compliance Project requires funding of \$2,000,000 of high priority items to be recommended by the Office of Global Access Technology from subprojects not approved by the County Council as an FY 1998 supplemental appropriation; and

WHEREAS, The Superintendent's FY 1999 Recommended Operating Budget totals \$941,721,045 as amended excluding grants and enterprise funds, with a total requested appropriation of \$1,020,986,965 now therefore be it

Resolved, That the Board of Education place \$150,000 in the FY 1999 Operating Budget to support the secondary school signature and magnet programs, and that those funds be allocated at the discretion of the Superintendent; and be it further

Resolved, That the Board of Education place \$50,000 of contractual funds in the FY 1999 Operating Budget to support a Superintendent search; and be it further

Resolved, That the Board of Education reduce the contribution to the Retiree Health Benefit Trust Fund by \$200,000 to offset the costs of the two amendments; and be it further

Resolved, That the Board of Education approve the Superintendent's FY 1999 Recommended Operating Budget as amended of \$941,721,045 excluding grants and enterprise funds and a total appropriation of \$1,020,986,965; and be it further

Resolved, That the Board of Education requests the Superintendent to present options for submission of nonrecommended reductions required by the spending affordability guidelines before its meeting on February 23, 1998.

Re: **DISCUSSION**

Mr. Ewing asked for an explanation on the green sheet of the Superintendent's proposal for \$2 million for the Year 2000 problem. Mr. Bowers replied that it was based on the request the Board had submitted to the County Council for a supplemental for this year of \$12.9 million and the preliminary recommendation of the County Executive to fund \$7.5 million for that request. The second piece was the procurement item for the Human Resources Information System.

Ms. Signer stated that she did not make comments on the operating budget when tentative actions were taken at the previous meeting. There were certainly many worthwhile proposals made by Board members and probably many that she might have voted for if it were not for the bottom line which was to protect the Superintendent's class size initiative that would benefit all students. She believed that the budget as proposed by the Superintendent was a strong budget and defensible. However, the budget was not complete because of the contracts with the employee organizations.

Ms. Gutiérrez pointed out that the Superintendent had amended the budget request by adding \$2 million. There had been a verbal presentation, but no supporting documentation. There was a budget process of hearings and comments, but this item was added at the end. It really weakens the seriousness of the process when this is done, and particularly when there was not substantiation for such a high expenditure. In contrast, some very minuscule expenditures that some Board members have tried to bring forward are considered as budget breakers. She needed to point out the inconsistency that was being reflected by the Board's actions. The Board did not have the substantiation that would be required for the Board to add that amount to the budget. The Board can always get those funds later with supplementals. Recently, there was \$11 million added as a single line item

on a procurement listing, and the Board did not ask a single question. She thought that was not appropriate for the Board to do.

Mr. Ewing asked since the Board has been appropriating money for the Year 2000 problem, what was the total amount. Mr. Bowers replied that it was \$3.8 million, there was \$3.2 million in the budget, and the supplemental request of \$7.5 million for next year. The original supplemental request was for \$12.9 million. Mr. Ewing agreed with Ms. Gutiérrez, and it was not clear on how the school system was proceeding.

Mrs. Gordon recalled that several members of the business community, who are members of Montgomery Success and have reviewed this problem, have indicated that the school system was moving forward in the correct manner. In addition, they were very concerned that there had been a lack of support on the part of the County Executive for funding the requests for the Year 2000 problem. Since she was not an expert on this problem, Mrs. Gordon relied on those professionals and their advice.

Mr. Ewing did not recall any advice about a specific appropriation level when those professionals gave the Board their advice and counsel.

Ms. Gutiérrez stated that when she asked for additional information, what she received clearly indicated to her that MCPS does not have a plan. The school system has not even begun to do the inventory which is the preliminary step. Ms. Gutiérrez indicated that she was currently a consultant for Marriott Corporation for their international approach to the Year 2000 problem. The approach was one that was the standard approach that was being used by most engineering companies. It was a very specific analysis that must be done, very specific line counts, and very specific tools are used. There was a way, and this was not a mystery. MCPS had not even begun to do the first step of the analysis. Yet, MCPS was moving forward with justifications for \$12.9 million that are based on nothing.

**Re: AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Year 2000 Problem)**

On motion of Ms. Gutiérrez and seconded by Mr. Ewing to delete \$2 million for the Year 2000 problem in FY 1999 failed with Mr. Ewing and Ms. Gutiérrez voting in the affirmative; Dr. Cheung, Mr. Felton, Mrs. Gordon, Mrs. King, Ms. Signer, and (Ms. Wheat) voting in the negative.

**Re: AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Year 2000 Problem)**

On motion of Mr. Ewing and seconded by Ms. Gutiérrez to delete \$1 million for the Year 2000 problem in FY 1999 failed with Mr. Ewing and Ms. Gutiérrez voting in the affirmative;

Dr. Cheung, Mr. Felton, Mrs. Gordon, Mrs. King, Ms. Signer, and (Ms. Wheat) voting in the negative.

Re: **AN AMENDMENT TO THE 1999 OPERATING BUDGET
(Year 2000 Problem)**

On motion of Mr. Ewing and seconded by Ms. Gutiérrez that the Superintendent be directed to present to the Board of Education within three months a detailed plan of action that justifies the dollars for the Year 2000 problem failed with Mr. Ewing and Ms. Gutiérrez voting in the affirmative; Mr. Felton, Mrs. Gordon, Mrs. King, and Ms. Signer voting in the negative; Dr. Cheung and (Ms. Wheat) abstaining.

Re: **DISCUSSION**

Dr. Vance promised a full report to the Board on the Year 2000 problem and the plans to resolve the problem and anticipated costs.

RESOLUTION NO. 48-98 Re: **THE 1999 OPERATING BUDGET**

On recommendation of the Superintendent and on motion of Ms. Signer seconded by Mrs. Gordon, the following resolution, as amended, was adopted with Dr. Cheung, Mr. Ewing, Mr. Felton, Mrs. Gordon, Mrs. King, Ms. Signer, and (Ms. Wheat) voting in the affirmative; Ms. Gutiérrez voting in the negative:

WHEREAS, The Superintendent of Schools recommended an FY 1999 Operating Budget of \$939,513,045 excluding grant funds and enterprise programs, and a total FY 1999 appropriation of \$1,017,650,965; and

WHEREAS, Additional federal revenue of \$100,000 is anticipated for the Medical Assistance project to be used for assistive technology for students with disabilities and compliance with federal medical assistance reimbursement requirements; and

WHEREAS, Additional federal revenue of \$1,000,000 is anticipated for the Individuals with Disabilities Education Act (IDEA) for FY 1999 to be used for additional services for students with disabilities based on revised enrollment projections, and to cover needs to be required because of IDEA reauthorization and the consequent revision of COMAR guidelines; and

WHEREAS, Transportation savings of \$42,000 are estimated due to the replacement of two early release days for Success for Every Student with one professional development day for all employees in the 1998-1999 school calendar; and

WHEREAS, Funds need to be set aside for the development and implementation of the new teacher evaluation system (\$250,000) in FY 1999; and

WHEREAS, Continued progress on the Year 2000 Computer Compliance Project requires funding of \$2,000,000 of high priority items to be recommended by the Office of Global Access Technology from subprojects not approved by the County Council as an FY 1998 supplemental appropriation; and

WHEREAS, The Superintendent's FY 1999 Recommended Operating Budget totals \$941,721,045 as amended excluding grants and enterprise funds, with a total requested appropriation of \$1,020,986,965 now therefore be it

Resolved, That the Board of Education place \$150,000 in the FY 1999 Operating Budget to support the secondary school signature and magnet programs, and that those funds be allocated at the discretion of the Superintendent; and be it further

Resolved, That the Board of Education place \$50,000 of contractual funds in the FY 1999 Operating Budget to support a Superintendent search; and be it further

Resolved, That the Board of Education reduce the contribution to the Retiree Health Benefit Trust Fund by \$200,000 to offset the costs of the two amendments; and be it further

Resolved, That the Board of Education approve the Superintendent's FY 1999 Recommended Operating Budget as amended of \$941,721,045 excluding grants and enterprise funds and a total appropriation of \$1,020,986,965; and be it further

Resolved, That the Board of Education requests the Superintendent to present options for submission of nonrecommended reductions required by the spending affordability guidelines before its meeting on February 23, 1998.

Re: **STATEMENTS**

Mr. Ewing made the following statement for the record: "I voted for the budget, not because I think it is a good budget because I don't, but because I think it is as good a budget as we are going to get obviously, and it has an important set of initiatives in it on class size, reading and mathematics instruction. I think they deserve support. I wish they had been enlarged. I think we ought to support what we have and hope for better days."

Ms. Gutiérrez made the following statement for the record: "I voted against the budget request, but not with any intention to not support the Superintendent's initiatives. I applaud his proposals; they certainly will make a difference. In my conscience, however, I cannot

support the inclusion of line items which are unexplainable to those who will have to fund the budget and to our public. I do not think that is a responsible thing to do."

Re: **ADJOURNMENT**

The meeting was adjourned at 11:10 p.m.

PRESIDENT

SECRETARY

PLV:gr