

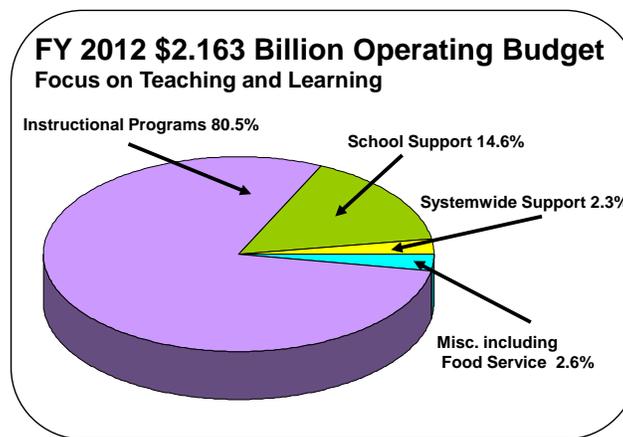
**Montgomery County Public Schools
Superintendent's FY 2012 Operating Budget Recommendations
December 15, 2010
OVERVIEW**

BACKGROUND: The operating budget for FY 2012 was developed in full partnership with the three employee associations—MCAAP/MCBOA, MCEA, and SEIU Local 500—and with the Montgomery County Council of PTAs. Dr. Rebecca Newman, Mr. Doug Prouty, Ms. Merle Cuttitta, and Ms. Kristin Tribble were involved at every step in the budget process and played critical roles in identifying budget priorities and cost savings and preserving initiatives to improve student achievement. As they developed the budget, MCPS, the employee associations and MCCPTA also considered the input from parents, staff, students, and community members who attended two community roundtables in October.

FY 2012 Operating Budget Facts

- \$2.163 billion recommended budget.
- \$59.6 million increase, 2.8% more than FY 2011 budget.
- Requires \$82.1 million in new funding from Montgomery County to comply with minimum state requirements for local support.
- The budget also assumes an increase of \$27.5 million in state funding.
- The budget requires greater local support because of the end of federal stimulus aid, \$40.0 million of which is responsible for ongoing services.
- Much of the increase will be to cover increased enrollment of 3,340 students and inflation-related cost increases.
- 80% of every dollar is spent on instructional services.
- Less than 2% is spent on central administrative costs—among the lowest in Maryland and the lowest in MCPS history.

**FY 2012 Operating Budget
\$59.6 Million Increase**



Budget Reductions and Cost-Savings Efforts

- \$6.0 million in savings will be achieved in FY 2012, entirely from central services and support functions, including the loss of 21.7 positions.
- A total of 20% reduction of central services in the last four years.
- An estimated \$15 million from FY 2011 MCPS savings are carried over for use in the FY 2012 operating budget.
- Reductions follow elimination of \$89 million of negotiated cost-of-living wage adjustments for MCPS employees in FY 2010 and \$26 million in increments in FY 2011.
- A total reduction of \$300 million in the last three years including an actual cut of \$135 million in the base budget and another \$6 million in the FY 2012 budget.

Preserving Our Progress in Student Achievement

- No across-the-board class size increase.
- Increase of \$17.2 million to provide for 3,340 additional students.

