

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

December 19, 2018

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools

Subject: Budget Comparison (FMC-11-05-18-03)

Question

Ms. Dixon requested a comparison between Montgomery County Public Schools, like districts, and some larger schools districts, on the percentages of the overall budget going towards salaries and benefits. For a fair comparison, the committee would like to include differences in reporting, such as some districts don't offer transportation and other districts contract out, and therefore those expenses are listed as contract expenses rather than employee expenses.

Response

The following chart displays the amount of salaries/wages and benefits, the total operating budget, as well as the percent of the total budget that salaries/wages and benefits represent for Montgomery County Public Schools (MCPS) and 10 school districts. Four local school districts and six school districts of similar or larger size to MCPS from across the nation are included.

School District	Salaries/Wages and Benefits (in millions)	Total Operating Budget Funding (in millions)	Percent of Salaries/Wages and Benefits Funding to Total Funding
Montgomery County Public Schools	\$ 2,350.9	\$ 2,596.4	90.5
San Diego Unified School District, CA	1,201.6	1,331.3	90.3
Fairfax County Public Schools, VA	2,573.4	2,871.9	89.6
Gwinnett County Public Schools, GA	1,512.9	1,706.4	88.7
Northside Independent School District, TX	801.0	912.3	87.8
Howard County Public School System, MD	744.7	861.9	86.4
Wake County Public Schools, NC	1,384.2	1,652.4	83.8
Charlotte-Mecklenburg Schools, NC	1,242.0	1,487.2	83.5
Prince George's County Public Schools, MD	1,693.8	2,047.7	82.7
Anne Arundel County Public Schools, MD	964.4	1,183.7	81.5
School District of Palm Beach County, FL	2,054.8	2,885.9	71.2

School districts listed in the chart including MCPS, the San Diego Unified School District, and Fairfax County Public Schools, hire employees to provide most services to students, classrooms, and schools. As a result, their percentage of salaries/wages and benefits to their total operating budget is significantly greater than other school districts, such as Anne Arundel County Public Schools, and the School District of Palm Beach County; these districts use a combination of employees and contractual services to provide these services.

For example, for Anne Arundel County Public Schools, approximately \$47 million of its budget is for contracts for transportation services for students. In contrast, MCPS operates its own Department of Transportation and includes the employment of bus operators and bus attendants to provide transportation services. In total, \$111.8 million (9.4 percent) of Anne Arundel County Public Schools' operating budget supports contractual services. In comparison, \$43.5 million (1.7 percent) of the MCPS budget supports contractual services. If Anne Arundel County Public Schools performed transportation and other contractual services with its own employees, its percentage of salaries/wages and benefits to its total operating budget would be significantly greater.

The School District of Palm Beach County has 48 charter schools and its operating budget includes a "pass through" of \$164.7 million for the cost of these charter schools that reduces its salaries/wages and benefits funding to total funding percentage rate. Charter schools educate 10 percent of Palm Beach County's students. In addition, the School District of Palm Beach County also contracts out for \$60.0 million for operations and maintenance services of its school facilities. In contract, most school facilities-related work is performed by MCPS employees. MCPS contracts out for just \$8.5 million for operations and maintenance services for our school facilities. If there were no charter schools in Palm Beach County and more operations and maintenance services were performed in-house, then Palm Beach County's salaries/wages and benefits funding to total funding percentage rate would be comparable to MCPS and the other school districts listed in the chart.

If you have questions, please contact Ms. Nicola Diamond, chief financial officer, at 240-740-3160.

JRS:ND:TPK:jp

Copy to:

Ms. Diamond

Ms. Webb