



MCPS Budget Brief

December 2008

Number 1

This is the first in a series of updates being provided to employees to present information on the MCPS budget for the 2009–2010 school year (FY 2010). You can find more information on the MCPS website at www.montgomeryschoolsmd.org/departments/budget. You also may submit a question by using the e-mail form at www.montgomeryschoolsmd.org/departments/budget/question.shtm.

What is the Superintendent's FY 2010 budget recommendation? The FY 2010 budget request is just a \$40 million increase (or less than 2 percent) of the current FY 2009 operating budget, the smallest percentage increase in more than 20 years. The \$40 million increase is based on costs associated with an enrollment increase of more than 2,800 students, step increases for employees, and inflation, including the cost of employee health insurance.

What was the focus in developing the budget this year? The priorities for developing the FY 2010 budget include the following:

- Avoiding across-the-board increases in class size.
- Maintaining the salary schedule increases for employees to ensure we retain our exceptional workforce.
- Maintaining our progress on key initiatives such as early success, middle school reform and a rigorous HS program.
- Keeping health care affordable for employees.
- Forgoing new county taxpayer dollars.

Where will the \$40 million increase come from? A hiring and spending freeze was put in place in September 2008, which will generate approximately \$20 million this year. In addition, MCPS is scheduled to receive \$20 million more from the State of Maryland, including funding of the Geographic Cost of Education Index (GCEI) next year.

What is MCPS planning to do in the next school year to reduce the operating budget? MCPS leadership has collaborated with the unions and MCCPTA to identify more than \$35 million in reductions of programs and positions. In addition, the cost-of-living adjustment (COLA) for all employees will be eliminated—a savings of \$89 million. MCPS will realize \$11 million in savings by deferring an increase in health care pre-funding for future retirees.

What does this mean to me as an employee? As an employee you will not receive a cost-of-living increase on July 1, 2009. All eligible employees will receive their step increase as normal. MCPS will continue to cover the same percentage of health care benefits cost. Approximately 280 positions will be eliminated, 25 percent of these from central office. Employees in positions scheduled for elimination will be provided full support by MCPS in order to place them in a vacant position for which they are qualified within MCPS.

(Continued on other side...)

What can I do if I need help? MCPS takes pride in its long history of teamwork in helping employees weather difficult times. The Employee and Retiree Service Center (ERSC) and the Employee Assistance Program (EAP) provide a wide variety of employee assistance. Montgomery County Government also offers assistance through the Department of Health and Human Services (HHS) and the Housing Opportunities Commission (HOC). We ask that you support your coworkers and allow them to support you as well.

- ERSC (301) 517-8100
- EAP (240) 314-1040
- HHS (240) 777-1680
- HOC (240) 773-9000

How does the superintendent put together his budget recommendation? The MCPS budget is built collaboratively in full partnership with the three employee associations—MCAASP/MCBOA, MCEA, and SEIU Local 500—and with the Montgomery County Council of PTAs. The superintendent, executive staff and union/PTA partners develop priorities, identify cost savings, and propose initiatives to improve student achievement. As the budget is developed, input from parents, staff, students, and community members who testified at two Board of Education forums is reviewed and considered.

What are the next steps in the budget process?

- January 14 and 21, 2009—Board of Education holds operating budget hearings. Sign up begins on December 26, 2008 (call 301-279-3617).
- January 28 and 29, 2009—Board of Education holds worksessions on the operating budget.
- February 9, 2009—Board of Education takes action/adopts FY 2010 operating budget.
- April 2009—County Council holds operating budget hearings.
- May 21, 2009—County Council approves operating budget.
- June 9, 2009—Board of Education takes final action on the FY 2010 Operating Budget

Where can I get more information?

Look for future budget updates to be issued as new information becomes available. You can find updates on the MCPS website at www.montgomeryschoolsmd.org/departments/budget. and submit your questions by using the e-mail form at www.montgomeryschoolsmd.org/departments/budget/question.shtm.



Montgomery County Public Schools
850 Hungerford Drive, Rockville, Maryland
www.montgomeryschoolsmd.org