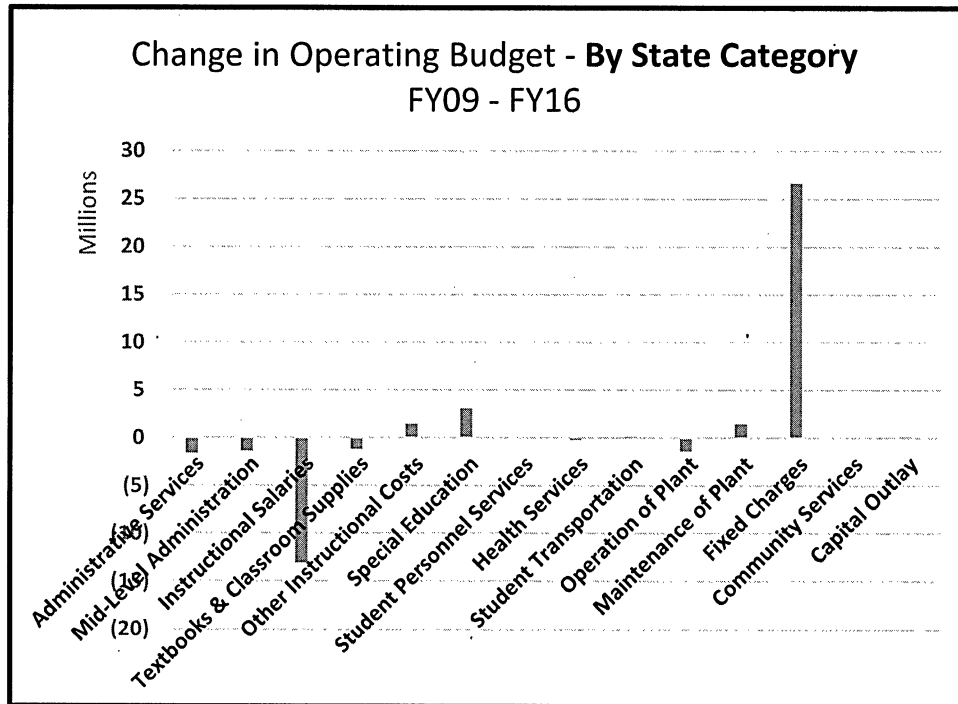


# Expenditures

## Balancing the Unrestricted Operating Budget FY 2009 – 2016

The primary increase in expenditures represent costs deemed necessary to provide mandated services, meet contractual obligations and to maintain the integrity of the instructional programs. Significant cost factors during this period include, but are not limited to, \$16.6 million to maintain employee/retiree health and dental benefits, \$10.2 million increase in employee pension cost and \$3.2 million increase to provide mandated special education services. Additionally, in fiscal years 2013 and 2016, \$18.9 million was spent on salary/wage increases.



## Cost Saving Measures Implemented FY 2009 – 2016

Faced with declining state revenue, as discussed in the revenue section of this document, and increasing fixed costs, balancing the Unrestricted Fund budget during this seven year period required innovative thinking. In response to this challenge, all areas of the budget were examined with an emphasis on preserving critical programs related to student achievement, creating greater efficiencies in all operating areas, and making difficult decisions on cost reductions that would least impact students. The budget shortfall during fiscal years 2009 to 2016 was resolved, in part, by:

- Utilizing recurring salary savings from employee turnover in excess of \$17.4 million
- Eliminating over 315 positions at a savings of \$15.6 million
- Reductions in utility consumption totaling \$2.8 million
- Modifications to transportation routes/services saving \$1.8 million
- Reduction of system-wide equipment budgets by 42% saving \$1.2 million
- Reduction of system-wide supply budgets by \$.4 million
- Eliminating selected summer programs, \$.5 million

Even with the implementation of these cost saving measures, \$4.75 million of fund balance was required to balance the Unrestricted Operating Budget in fiscal year 2016 as compared to \$1.1 million in fiscal 2008.

# Expenditures

## Budget Development Process

The following budget strategies were central to the development of the fiscal year 2017 Operating Budget:

### 2017 Budget Strategies

- ❖ *Preserve the integrity of the instructional programs*
- ❖ *Preserve jobs*
- ❖ *Maintain a competitive salary structure*
- ❖ *Preserve employee benefits*

During the fiscal 2017 budget development cycle, budget managers were asked to examine their accounts in terms of potential realignment of current funding, cost saving measures, inflation and non-discretionary cost increases.

**Base Budget Adjustments** - Budget managers were asked to review current funding levels and, whenever possible, work to realign current dollars to meet changing program and service requirements. Base Budget Adjustments are simply a realignment of current funds with no additional financial impact. These adjustments are reflected throughout the document in the column entitled "FY 2017 Base Budget".

**Cost Saving Measures** – Each budget manager was asked to search current budget line items and practices for areas of cost savings and efficiencies.

**Inflation and Non-Discretionary Cost Increases (Cost of Doing Business Adjustments)** - Building the budget requires making assumptions about cost growth in areas of spending that are not directly tied to funding decisions regarding educational policies, collective bargaining commitments, or enrollment. These inflationary and non-discretionary costs include, but are not limited to:

- Expenditures for state and federal mandates relating to special education, instructional services, contracted instruction and student testing
- Anticipated increases in the rate structure for medical insurance premiums
- Annual increases in service contracts, software/hardware agreements, maintenance/performance contracts and liability/property insurance contracts
- Employee pension costs

***The Cost of Doing Business requested increase includes items that are of complete necessity in order to sustain and/or maintain the current educational experience our children deserve.***

**Critical Needs** - These expenditures include expenditures that are not mandatory in nature but are critical for HCPS to maintain the current level of service in various areas.

**Salary/Wages** – The increase in salary/wage line items reflects our goal of maintaining a competitive salary structure within the market, especially with our neighboring counties. As a result of no step increases or Cost-of-Living Adjustments (COLA) for five of the past seven years, it is the intent of the Board of Education to avoid falling further behind in regard to employee wages. By law, the Board is required to negotiate with each of the five bargaining units in Harford County to establish salary, wages, benefits and working conditions. Employees and community members are directed to visit the Board's Collective Bargaining webpage on the school system website ([www.hcps.org](http://www.hcps.org)) for updates and information as we move through the negotiation process.

In following the logic of distinguishing changes by how they were approved in the budget, each program outlines the changes by the same categories:

- Base Budget Adjustments
- Cost Saving Measures
- Cost of Doing Business
- Critical Needs
- Wage/Benefit changes for Active and Retired Employees

# Expenditures

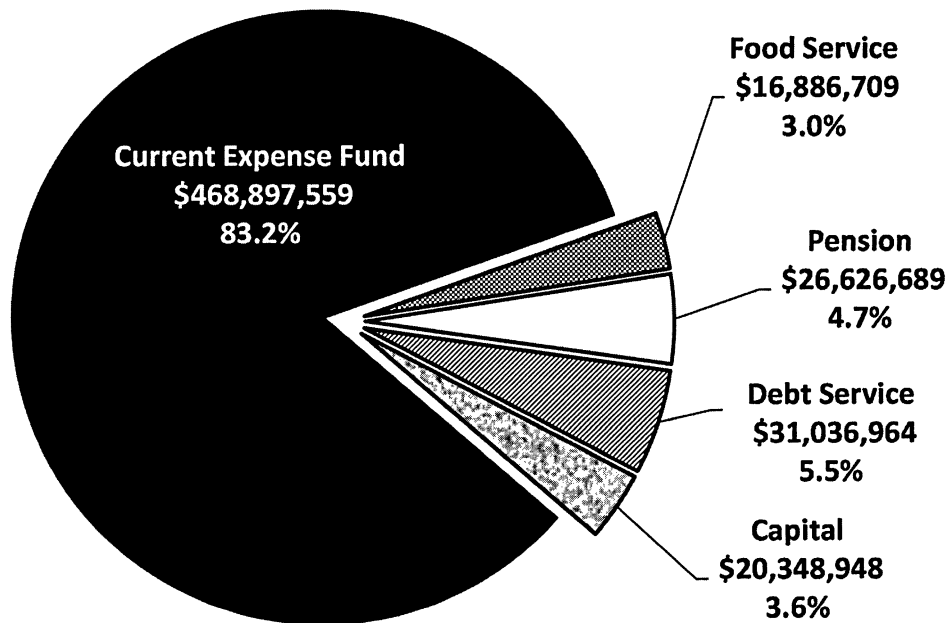
## All Funds

Total expenditures by fund for Harford County Public Schools are summarized below. The combination of the Unrestricted Fund and Restricted Fund, generally referred to as the Current Expense Fund or Operating Budget, totals \$468.9 million for fiscal 2017. The Operating Budget will be discussed in greater detail in this section of the budget book.

The Food Service Fund is a self-supporting special revenue fund. The Food Service Fund is \$16.9 million for fiscal 2017. Additional detail is provided in the Food Service section located in Tab 23 of this document. Debt Service funds in the estimated amount of \$31.0 million are managed by the Harford County Government and additional detail is provided in Tab 24. The Capital Projects Fund totaling almost \$20.3 million includes primarily state and local government funding. The Capital Budget Summary is contained in Tab 25 near the end of this budget book. The Pension Fund is \$26.6 million which represents the State of Maryland's projected contribution to the teacher pension system for fiscal 2017. More detail on the Pension Fund is provided in the Pension section located in Tab 26 of this document.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2016 Budget	FY 2017 Budget	Change	% Chg.
Unrestricted Fund	422,319,069	420,745,698	424,895,247	433,503,315	438,932,075	5,428,760	1.3%
Restricted Fund	29,727,813	31,402,459	29,539,443	30,444,432	29,965,484	(478,948)	-1.6%
<b>Current Expense Fund</b>	<b>\$ 452,046,882</b>	<b>\$ 452,148,157</b>	<b>\$ 454,434,690</b>	<b>\$ 463,947,747</b>	<b>\$ 468,897,559</b>	<b>\$ 4,949,812</b>	<b>1.1%</b>
Food Service	15,426,454	15,964,573	16,761,210	16,761,609	16,886,709	125,100	
Debt Service	30,172,314	30,695,880	31,014,737	31,709,489	31,036,964	(672,525)	
Capital	29,217,876	33,669,871	33,285,201	28,133,000	20,348,948	(7,784,052)	
Pension	29,187,145	29,257,412	26,626,689	29,257,412	26,626,689	(2,630,723)	
<b>Total - All Funds</b>	<b>\$ 556,050,671</b>	<b>\$ 561,735,893</b>	<b>\$ 562,122,527</b>	<b>\$ 569,809,257</b>	<b>\$ 563,796,869</b>	<b>\$ (6,012,388)</b>	

## FY 2017 Expenditures All Funds - \$563,796,869



# Expenditures

## Current Expense Fund (Unrestricted and Restricted Funds) by Program

The Current Expense Fund is comprised of the Unrestricted Fund, usually referred to as the Operating Budget, and the Restricted Fund. Restricted Funds are primarily provided by the state and federal government, which require the money be spent on specific programs. Hence, the term "restricted" is used to classify these programs. Unrestricted Fund expenditures for fiscal 2017 increased \$5.4 million and Restricted Fund expenditures decreased \$5 million. The total Current Expense Fund Budget for fiscal 2017 is \$468.9 million, an increase of \$5.0 million or 1.1% from fiscal 2016. The fiscal 2017 Current Expense Fund Budget is summarized below by program area:

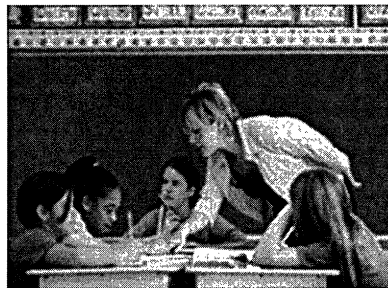
Expenditures - Current Expense Fund								
Tab		FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2016 Budget	FY 2017 Budget	Change	% Chg.
10	<b>Board of Education</b>	\$ 615,890	\$ 573,815	\$ 629,338	\$ 675,319	\$ 685,935	\$ 10,616	
	Board of Education Services	226,221	196,032	228,786	271,661	275,753	4,092	
	Internal Audit Services	155,936	156,160	178,555	177,660	181,585	3,925	
	Legal Services	233,733	221,623	221,997	225,998	228,597	2,599	
11	<b>Business Services</b>	\$ 32,726,564	\$ 33,649,740	\$ 34,881,745	\$ 35,384,567	\$ 35,767,422	\$ 382,855	
	Fiscal Services	31,849,944	32,782,338	33,995,904	34,470,060	34,881,073	411,013	
	Purchasing	876,620	867,402	885,841	914,507	886,349	(28,158)	
12	<b>Curriculum and Instruction</b>	\$ 4,770,320	\$ 5,792,305	\$ 5,749,068	\$ 6,038,773	\$ 6,060,234	\$ 21,461	
	Curriculum Dev and Implementation	3,137,254	3,948,686	3,985,415	4,143,500	4,232,524	89,024	
	Office of Accountability	771,196	849,460	774,517	788,897	751,814	(37,083)	
	Professional Development	861,870	994,159	989,136	1,106,376	1,075,896	(30,480)	
13	<b>Education Services</b>	\$ 173,196,765	\$ 169,110,438	\$ 172,216,622	\$ 174,985,067	\$ 175,694,628	\$ 709,561	
	Career and Technology Programs	7,729,956	7,314,988	7,314,619	7,652,174	7,936,868	284,694	
	Gifted and Talented Program	1,416,884	1,319,863	1,198,746	1,418,260	1,470,276	52,016	
	Intervention Services	992,010	963,518	716,300	743,038	444,442	(298,596)	
	Magnet Programs	1,581,615	1,507,865	1,531,844	1,607,047	1,609,985	2,938	
	Office of Elem/Mid/High Schools	569,870	566,789	575,493	594,170	609,425	15,255	
	Other Special Programs	2,805,427	2,742,992	2,823,871	2,835,169	2,925,660	90,491	
	Regular Programs	151,612,212	148,613,155	152,092,586	153,997,373	154,342,670	345,297	
	School Library Media Program	5,963,340	5,937,603	5,834,659	5,959,692	6,177,158	217,466	
	Summer School	525,451	143,665	128,504	178,144	178,144	0	
14	<b>Executive Administration</b>	\$ 1,540,687	\$ 1,576,558	\$ 1,531,827	\$ 1,559,931	\$ 1,579,001	\$ 19,070	
	Communications	352,176	370,631	377,547	391,942	391,514	(428)	
	Equity and Cultural Proficiency	281,953	285,795	221,972	226,409	233,426	7,017	
	Executive Administration Office	906,558	920,132	932,308	941,580	954,061	12,481	
15	<b>Extra Curricular Activities</b>	\$ 3,446,556	\$ 3,527,178	\$ 3,537,524	\$ 3,706,003	\$ 3,759,104	\$ 53,101	
	Interscholastic Athletics	2,715,843	2,752,504	2,757,618	2,858,290	2,902,315	44,025	
	Student Activities	730,713	774,674	779,906	847,713	856,789	9,076	
16	<b>Human Resources</b>	\$ 74,535,210	\$ 76,191,370	\$ 76,852,968	\$ 78,149,110	\$ 78,110,306	\$ (38,804)	
17	<b>Operations and Maintenance</b>	\$ 68,041,156	\$ 66,032,780	\$ 64,844,761	\$ 66,592,319	\$ 69,625,366	\$ 3,033,047	
	Facilities Management	21,285,372	21,300,382	22,125,603	22,053,136	22,435,873	382,737	
	Planning and Construction	786,683	788,744	808,053	873,680	875,735	2,055	
	Transportation	30,411,148	30,336,181	29,569,924	29,552,527	31,948,166	2,395,639	
	Utility Resource Management	15,557,953	13,607,473	12,341,181	14,112,976	14,365,592	252,616	
18	<b>Safety and Security</b>	862,128	900,263	899,420	893,956	875,679	(18,277)	
19	<b>Special Education</b>	40,023,022	40,616,607	40,604,926	41,202,897	41,987,588	784,691	
20	<b>Student Services</b>	\$ 13,927,763	\$ 13,945,994	\$ 14,111,726	\$ 14,501,090	\$ 14,716,844	\$ 215,754	
	Health Services	3,229,471	3,355,916	3,250,722	3,337,076	3,440,602	103,526	
	Psychological Services	2,220,408	2,182,625	2,256,849	2,336,210	2,313,044	(23,166)	
	Pupil Personnel Services	1,640,337	1,644,312	1,693,217	1,742,980	1,741,126	(1,854)	
	School Counseling Services	6,837,547	6,763,141	6,910,938	7,084,824	7,222,072	137,248	
21	<b>Office of Technology &amp; Information</b>	8,633,008	8,828,650	9,035,322	9,814,283	10,069,968	255,685	
	<b>Unrestricted Fund</b>	422,319,069	420,745,698	424,895,247	433,503,315	438,932,075	5,428,760	1.3%
22	<b>Restricted Fund</b>	29,727,813	31,402,459	29,539,443	30,444,432	29,965,484	(478,948)	-1.6%
	<b>Current Expense Fund</b>	\$ 452,046,882	\$ 452,148,157	\$ 454,434,690	\$ 463,947,747	\$ 468,897,559	\$ 4,949,812	1.1%

# Expenditures

## Current Expense Fund by Maryland State Reporting Category

The following tables reflect Current Expense Fund expenditures by object class and state reporting category, the method of reporting that is required by the Maryland State Department of Education:

<b>Harford County Public Schools</b>						
<b>Current Expense Fund - By State Category</b>						
<b>SUMMARY BY CATEGORY</b>	<b>Unrestricted</b>		<b>Restricted</b>		<b>Current Expense</b>	
	<b>FY 2017</b>		<b>FY 2017</b>		<b>FY 2017</b>	
	<b>Budget</b>	<b>FTE</b>	<b>Budget</b>	<b>FTE</b>	<b>Budget</b>	<b>FTE</b>
Administrative Services	\$10,654,299	115.7	\$560,000	1.0	\$11,214,299	116.7
Mid-Level Administration	\$25,703,270	343.0	\$634,814	9.0	\$26,338,084	352.0
Instructional Salaries	\$160,452,648	2,577.8	\$4,126,655	66.7	\$164,579,303	2,644.5
Textbooks & Classroom Supplies	\$7,037,435	0.0	\$457,066		\$7,494,501	0.0
Other Instructional Costs	\$2,822,916	0.0	\$1,159,561		\$3,982,477	0.0
Special Education	\$42,071,826	863.7	\$17,560,005	157.1	\$59,631,831	1,020.8
Student Services	\$1,741,126	20.5		5.0	\$1,741,126	25.5
Health Services	\$3,440,602	70.4		2.0	\$3,440,602	72.4
Student Transportation	\$31,816,998	217.4			\$31,816,998	217.4
Operation of Plant	\$29,490,168	340.3			\$29,490,168	340.3
Maintenance of Plant	\$13,615,431	125.5			\$13,615,431	125.5
Fixed Charges	\$108,977,281	0.0	\$5,367,383		\$114,344,664	0.0
Community Services	\$533,031	1.6			\$533,031	1.6
Capital Outlay	\$575,044	0.0	\$100,000		\$675,044	0.0
<b>TOTAL</b>	<b>\$ 438,932,075</b>	<b>4,675.9</b>	<b>\$ 29,965,484</b>	<b>240.8</b>	<b>\$ 468,897,559</b>	<b>4,916.7</b>



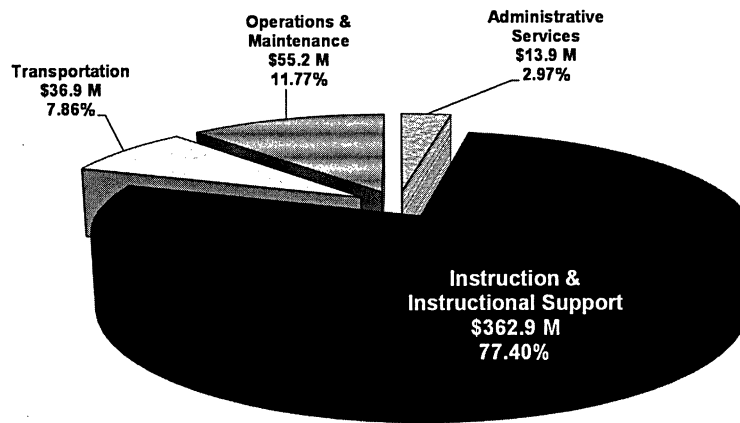
<b>Current Expense Fund - By Object Class</b>						
<b>SUMMARY BY OBJECT</b>	<b>Unrestricted</b>		<b>Restricted</b>		<b>Current Expense</b>	
	<b>FY 2017</b>		<b>FY 2017</b>		<b>FY 2017</b>	
	<b>Budget</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>
Salary and Wages	\$257,749,561	4,675.9	\$12,949,658	240.8	\$270,699,219	4,916.7
Contracted Services	\$41,457,564		\$9,694,557		\$51,152,121	
Supplies and Materials	\$12,804,913		\$535,912		\$13,340,825	
Other Charges	\$125,768,229		\$6,076,485		\$131,844,714	
Equipment	\$1,976,808		\$148,872		\$2,125,680	
Transfers	(\$825,000)		\$560,000		(\$265,000)	
<b>TOTAL</b>	<b>\$ 438,932,075</b>	<b>4,675.9</b>	<b>\$ 29,965,484</b>	<b>240.8</b>	<b>\$ 468,897,559</b>	<b>4,916.7</b>

# Expenditures

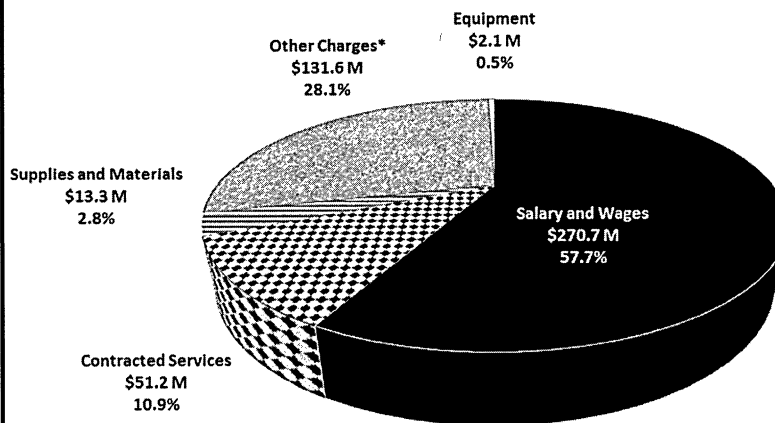
## How does HCPS Spend Its Money?

### FY 2017 Current Expense Fund - \$468.9 Million

#### By Program



#### By Expense Type



\*Other Charges include such expenditures as employee/retiree health, dental & life insurance, pension payments, payroll taxes, workers compensation, unemployment & liability insurance and all utility costs (electricity, natural gas, fuel oil, diesel fuel, sewage and water charges).

# Expenditures

## Summary of Unrestricted Operating Budget Changes FY 2016 – FY 2017

### Revenue

Revenue	FY 2016	Change	FY 2017
Local	228,208,971	5,325,533	233,534,504
MD State	194,335,044	1,699,959	196,035,003
Federal	390,000		390,000
Other	5,819,300	(2,370,478)	3,448,822
Fund Balance	4,750,000	773,746	5,523,746
<b>Total</b>	<b>\$ 433,503,315</b>	<b>\$ 5,428,760</b>	<b>\$ 438,932,075</b>

### Expenditures

Positions 4,721.9	FY 2016 Unrestricted Budget - Revised*	\$ 433,503,315
	<b>Employee Wage/Salary Package:</b>	<b>11,449,953</b>
	<b>Salary Turnover Savings:</b>	<b>(3,500,000)</b>
	<b>Benefit Adjustments:</b>	
	Teacher Pension System (332,516)	
	Net Health/Dental Insurance Adjustment 2,905,284	<b>2,572,768</b>
(7.0)	<b>Base Budget Adjustments:</b>	-
	<b>Cost of Doing Business Adjustments:</b>	
0.0	CDB - Instruction Curriculum 21,359	
0.0	CDB - Instruction Regular Education 271,453	
2.0	CDB - Instruction Special Education -	
2.0	CDB - Operations 2,077,405	
0.0	CDB - Administration 34,025	<b>2,404,242</b>
	<b>Critical Needs:</b>	
0.0	Critical Needs - Non-Instructional 162,500	<b>162,500</b>
(43.0)	<b>Cost Saving Measures</b>	<b>(5,370,438)</b>
	<b>Reversal of FY16 OPEB Supplemental Appropriation and Premium Holiday</b>	<b>(2,290,265)</b>
(46.0)	<b>Total - Change FY 2016 - FY 2017</b>	<b>\$ 5,428,760</b> 1.3%
<b>4,675.9</b>	<b>FY 2017 Approved Unrestricted Budget</b>	<b>\$ 438,932,075</b>

\*Includes FY16 supplemental OPEB appropriation.

### Positions

Position Description	FTE
Teachers/Counselors/Psychologists	(17.0)
Paraeducators	12.0
Inclusion Helpers	(38.0)
<b>Total School Based/Classroom Support Positions</b>	<b>(43.0)</b>
Custodians	2.0
Purchasing Assistant	(1.0)
Programmer	(1.0)
Secretary IV	(1.0)
Painter I	(1.0)
Preventative Maintenance Technician	(1.0)
<b>Total Other Support Positions</b>	<b>(3.0)</b>
<b>Total Change - Unrestricted Budget Positions</b>	<b>(46.0)</b>

## Expenditures

**Salary/Wage Package** – An increase of \$11.5 million in salary/wages and related fixed charges reflects our goal of maintaining a competitive salary structure with the market, especially with our neighboring counties. As a result of no step increases or cost of living adjustments (COLA) for five of the last seven years, it is the intent of the Board of Education to avoid falling further behind in regard to employee wages.

The following charts provide a salary progression over the last eight years of a new teacher beginning in the 2008 – 2009 school year and a teacher with ten years of experience in Harford County, Cecil County and Baltimore County, Maryland.

### Teacher who began their career in the 2008 – 2009 school year with a Masters degree...

	Harford	Cecil	Baltimore
1 <sup>st</sup> Year 2008-2009	\$41,171	\$41,674	\$42,000
2 <sup>nd</sup> Year 2009-2010	\$41,171	\$42,820	\$43,335
3 <sup>rd</sup> Year 2010-2011	\$41,171	\$44,290	\$43,985
4 <sup>th</sup> Year 2011-2012	\$41,171	\$45,732	\$44,755
5 <sup>th</sup> Year 2012-2013	\$42,829	\$46,603	\$45,538
6 <sup>th</sup> Year 2013-2014	\$42,829	\$48,893	\$46,211
7 <sup>th</sup> Year 2014-2015	\$42,829	\$50,944	\$46,915
8 <sup>th</sup> Year 2015-2016	\$44,775	\$52,516	\$50,001

### Teacher with a Masters degree & 10 years experience in the 2008 – 2009 school year...

	Harford	Cecil	Baltimore
1 <sup>st</sup> Year 2008-2009	\$56,988	\$55,659	\$53,508
2 <sup>nd</sup> Year 2009-2010	\$56,988	\$57,760	\$56,959
3 <sup>rd</sup> Year 2010-2011	\$56,988	\$60,452	\$58,810
4 <sup>th</sup> Year 2011-2012	\$56,988	\$62,150	\$60,722
5 <sup>th</sup> Year 2012-2013	\$59,289	\$64,643	\$62,695
6 <sup>th</sup> Year 2013-2014	\$59,289	\$67,693	\$63,792
7 <sup>th</sup> Year 2014-2015	\$59,289	\$70,429	\$64,909
8 <sup>th</sup> Year 2015-2016	\$61,980	\$72,544	\$69,348



# Expenditures

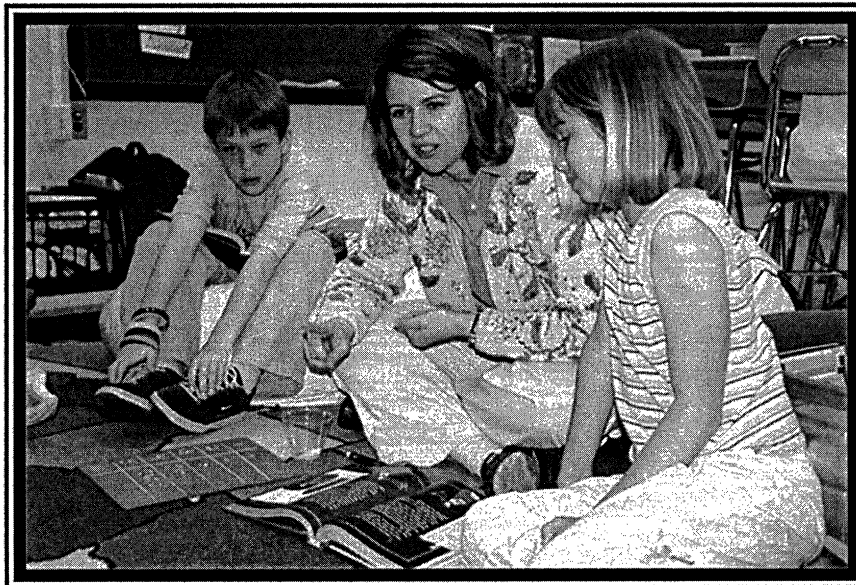
By law, the Board is required to negotiate with each of the five bargaining units in Harford County to establish salary, wages and other working conditions. The Board collaborates with the bargaining units to reach such an agreement. Employees and community members are directed to visit the Board's Collective Bargaining webpage page on the school system website ([www.hcps.org](http://www.hcps.org)) for updates and information regarding negotiations.

## Rising Health & Dental Care Costs

Harford County Public Schools provides health and dental care coverage to 4,147 employees and policies for 3,176 retirees/spouses. Like all businesses, especially labor intensive school districts, HCPS has experienced significant increases in the cost of providing health care benefits. **In the past ten years**, the cost of providing health care insurance to employees and retirees has risen from \$39.4 million in fiscal year 2007 to over \$67.6 million in fiscal 2016, **an increase of 72%**. The cost of providing dental care insurance to employees and retirees has risen from \$2.8 million in fiscal year 2006 to over \$3.9 million in fiscal 2016, **an increase of 39%**.

**Employee/Retiree Benefits** - For fiscal year 2017, health and dental care insurance rates are projected to increase by 4.27%. In total, \$2.9 million was added to the FY 2017 budget to fund the rate increase for health/dental care and the projected cost associated with new enrollees and retirees.

**Employee Pension** - Prior to fiscal year 2013, the State of Maryland funded all teacher pension contributions for the twenty four school districts. The State of Maryland addressed their ongoing structural deficit by sharing teacher pension costs with the counties. The cost sharing was structured over a four year implementation period beginning in fiscal 2013. For fiscal year 2017, the pension contribution from the Unrestricted Operating Budget for teachers is projected to decrease by \$332,516.



# Expenditures

**Cost Saving Measures** – HCPS has, in recent years, taken a number of proactive steps to address budget challenges, including aggressively reducing costs and eliminating positions. Each budget manager was asked to search current budget line items and practices for areas of cost savings and efficiencies. The following cost saving measures allowed HCPS to reduce expenditures by \$5.4 million for fiscal year 2017. These reductions combined with additional revenue and employee turnover savings allowed for the funding of an \$11.5 million employee wage package, benefits adjustments and cost of doing business and critical needs increases.

<b>Cost Saving Measures</b>			
Line	Description	FTE	Amount
1	Eliminate Teaching Positions - (10.0 FTE Elementary & 13.0 FTE Secondary)	(23.0)	(1,485,294)
2	Adjust utilities (Gas, Oil, & Electricity)		(1,000,000)
3	Move allowable positions to Medical Assistance	(5.0)	(384,444)
4	Reduction in Transportation due to Routing Efficiencies		(350,000)
5	Reduce college credit reimbursement expense		(200,000)
6	Reduce Infant & Toddler contracted services (services covered by existing staff)-Special Education Office		(200,000)
7	Reduce Inclusion Helpers-Special Education Office	(5.0)	(145,980)
8	Reduce after school intervention salaries and transportation-Curriculum & Instruction		(140,331)
9	Eliminate Programmer/Analyst II position-Office of Technology	(1.0)	(104,264)
10	Reduction in Transportation Salaries		(100,000)
11	Reduce Social Security		(100,000)
12	Life insurance program savings from new contract		(78,854)
13	Reduction in Curriculum & Instruction budget (intervention and professional development)		(76,426)
14	Eliminate Atomic Learning-Technology Office		(75,800)
15	Eliminate Media Technicians-Library Services	(2.0)	(73,151)
16	Reduce intervention other salaries-Curriculum & Instruction		(66,750)
17	Eliminate Paraeducators - Intervention Program	(2.0)	(66,264)
18	Increase in Field Trip Recovery Credit		(65,000)
19	School counselor reduction	(1.0)	(64,578)
20	Reduce intervention materials of instruction-Curriculum & Instruction		(62,489)
21	Reduction in Custodial Salaries		(60,000)
22	Reduce school improvement days-Curriculum & Instruction		(54,000)
23	Eliminate Preventative Maintenance Technician position	(1.0)	(53,632)
24	Eliminate Purchasing Assistant position	(1.0)	(52,155)
25	Eliminate Secretary IV - Human Resources position	(1.0)	(47,565)
26	Eliminate Painter I position	(1.0)	(44,500)
27	Reduce testing contracted services-Accountability Office		(25,000)
28	Adjustment in Connect5 notification service contract		(23,880)
29	Employee Assistance Program savings from new contract		(23,868)
30	Miscellaneous reductions-Human Resources		(18,000)
31	Reduce intervention consultants-Curriculum & Instruction		(16,641)
32	Eliminate Swipe-Safety and Security Office		(13,800)
33	Flexible spending savings from new contract		(12,087)
34	Reduction to student activities account-Curriculum & Instruction		(12,000)
35	Reduce IB professional development-Curriculum & Instruction		(10,550)
36	Reduce new teacher substitutes-Curriculum & Instruction		(10,000)
37	Reduce Temporary Help-Accountability Office		(10,000)
38	Reduce testing supplies-Accountability Office		(10,000)
39	Reduce IB supplies-Curriculum & Instruction		(9,290)
40	Other Contracted Service and Other Equipment - Communication Office		(6,357)
41	Reduce Science/Math textbooks-Curriculum & Instruction		(5,000)
42	Reduce in-service training supplies-Curriculum & Instruction		(3,000)
43	Eliminate media conferences-Curriculum & Instruction		(2,620)
44	Reduce multicultural supplies-Curriculum & Instruction		(2,600)
45	Eliminate advertising-Communications Office		(2,268)
46	Reduce consultants-Accountability Office		(1,000)
47	Reduce other instructional supplies-Curriculum & Instruction		(1,000)
<b>Total - Cost Saving Measures</b>		<b>(43.0)</b>	<b>(5,370,438)</b>

# Expenditures

**Cost of Doing Business** – The following chart includes Cost of Doing Business increases of \$5.0 million.

Line	Description	FTE	Total
<b>Instructional - Curriculum &amp; Instruction:</b>			
1	SAFE databases - additional expense to include the increase already being experienced in FY16 and a projected 5% increase for FY17.		21,359
<b>Total - Instructional /Curriculum &amp; Instruction</b>		<b>0.0</b>	<b>21,359</b>
<b>Instructional - Regular Education:</b>			
2	Harford Glen Overnight Program - Reinstate Harford Glen overnight program.		271,453
<b>Total - Instructional/Regular Education</b>		<b>0.0</b>	<b>271,453</b>
<b>Instructional - Special Education:</b>			
3	1.0 FTE - Additional Assistive Technology Teacher to support students who need alternate modes to access the general education curriculum. Currently, two Assistive Technology Teachers serve the entire county school system. Salary and benefit costs will be covered with existing funds.	1.0	-
4	1.0 FTE - Additional Augmentative Communication Speech and Language Pathologist to support students who need alternate modes of communication to express needs and wants, engage in social communication and access the general education curriculum. Currently, one Augmentative Communication SLP serves the entire county school system. Salary and benefit costs will be covered with existing funds.	1.0	-
<b>Total - Instructional/Special Education</b>		<b>2.0</b>	<b>-</b>
<b>Operations:</b>			
5	2.0 FTE Custodians- staffing increase at YBES due to increased square footage in the new building. Salary and benefit costs will be covered with existing funds.	2.0	-
6	Track and Turf Field Maintenance - Tracks need to be reconditioned every 5 years. Money for maintenance has been eliminated from the Capital Budget. Track maintenance is a cost of doing business. The facilities are used by middle schools, high schools and the community. If these facilities are not continually maintained, the deterioration will result in a complete replacement, which is considerably more expensive. In addition, the safety of students and the community will come into question if they continue to use dilapidated facilities.		25,000
7	Hardware Maintenance- increase in annual contracts for network infrastructure/WiFi/firewall.		103,000
8	Hardware Maintenance- increase for network licenses associated with BYOT.		112,000
9	Software Maintenance- Equal Level Navigator Marketplace, \$35,000, Eschool Solutions SmartFind Express substitute management system annual fee increase to move on premise to cloud hosted service, \$11,842, Annual maintenance for Kinsey security and auditing tool set for Lawson, \$3,600, increases to existing software maintenance agreements, \$41,430.		91,872
10	Transportation - Increase in bus contract.		1,745,533
<b>Total - Operations</b>		<b>2.0</b>	<b>2,077,405</b>
<b>Administration:</b>			
11	Property Insurance		31,942
12	Liability Insurance		25,546
13	Workers Compensation		(23,463)
<b>Total - Administration</b>		<b>0.0</b>	<b>34,025</b>
<b>Benefits/Fixed Charges :</b>			
14	Health Insurance - Projected rate increase is 4.27%.		2,905,284
15	Teacher Pension		(332,516)
<b>Total - Fixed Charges/Benefits</b>		<b>0.0</b>	<b>2,572,768</b>
<b>Total - Cost of Doing Business Adjustments</b>		<b>4.0</b>	<b>4,977,010</b>

# Expenditures

**Critical Needs Requests** – The following chart includes a Critical Needs Request of \$162,500.

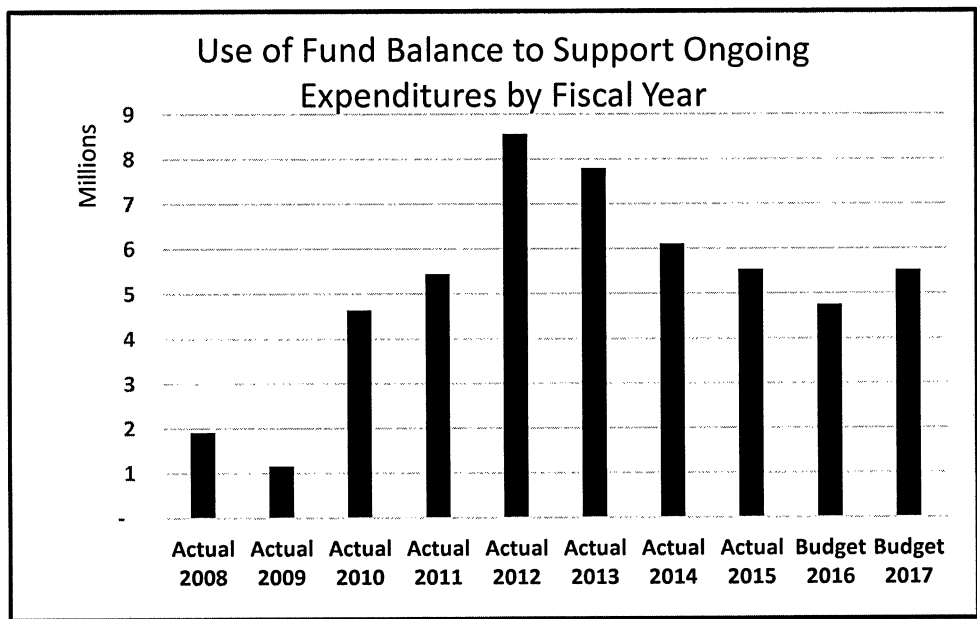
Line	Description	FTE	Total
<b>NON-INSTRUCTIONAL</b>			
1	Equipment for operations and maintenance of schools/facilities - Since fiscal year 2009 equipment accounts under Operations and Maintenance have been cut by 40% (or \$325k). During this same period, the capital budget for furniture and equipment was not funded resulting in increase demands on the operating accounts. Our ability to keep our systems and equipment operating has been compromised. Capital accounts that have not been funded for the last 3 years include bleacher replacement, equipment & furniture, fire alarm, floor covering, folding partition replacement, locker replacement, major HVAC repairs, track reconditioning, new parking, resurfacing, vehicle replacement, and swimming pools. This request would restore approximately 50% of the equipment funding cut from the operating budget in the past six years.		162,500
<b>Total - Critical Needs</b>		<b>0.0</b>	<b>\$ 162,500</b>

## Long Term Budgetary Issue Facing HCPS

**Structural Deficit – Ongoing expenditures exceed revenue;  
Use of one time money to fund ongoing expenditures.**

Harford County Public Schools continue to face ongoing budget challenges as revenue has not kept pace with system demands, legal mandates and cost drivers such as pension and health care costs for employees and retirees. It is important to note that HCPS employees have not received a wage increase in five of the last seven years. Even with the many cost saving measures implemented in the past seven years, including the elimination of 352.6 positions, HCPS has been forced to use \$5.5 million of fund balance to support ongoing operations in fiscal year 2017.

HCPS has an ongoing structural deficit created by spending one-time year-end funds (fund balance) for ongoing expenditures. The use of fund balance to support ongoing operations peaked in fiscal year 2012 at \$8.5 million. As of July 1, 2016, the HCPS unassigned fund balance totaled \$9,886,800. We are optimistic that improved economic conditions in the near future will allow for additional support from Harford County Government and eliminate the use of fund balance to support ongoing operations.



# Expenditures

The long term structural deficit issue can only be addressed by:

- Increasing Revenue, and/or
- Permanent Reductions to Ongoing Expenditures

## Summary of Fiscal 2017 Unrestricted Operating Changes

The following table "Summary of Fiscal Year 2017 Unrestricted Operating Budget Changes" reflects expenditure changes by program. Changes are identified in the expenditure categories of: Wages & Benefits, Base Budget Adjustments, Cost Saving Measures and Cost of Doing Business/Critical Needs.

**HARFORD COUNTY PUBLIC SCHOOLS**  
**Summary of Fiscal 2017 Unrestricted Operating Budget Changes**

<b>Fiscal 2016 Adjusted Unrestricted Operating Budget</b>					<b>\$ 433,503,315</b>
<b>Program</b>	<b>Wages &amp; Benefits</b>	<b>Base Budget Adjustments</b>	<b>Cost Saving Measures</b>	<b>Cost of Doing Business &amp; Critical Needs</b>	<b>Fiscal 2017 Budget</b>
<b><u>Board of Education</u></b>					
<b><u>Board Services</u></b>					
Salary and Wage Adjustments	4,092				4,092
<b>Board Services</b>	<b>4,092</b>	-	-	-	<b>4,092</b>
<b><u>Internal Audit Services</u></b>					
Salary and Wage Adjustments	3,925				3,925
<b>Internal Audit Services</b>	<b>3,925</b>	-	-	-	<b>3,925</b>
<b><u>Legal Services</u></b>					
Salary and Wage Adjustments	2,599				2,599
<b>Legal Services</b>	<b>2,599</b>	-	-	-	<b>2,599</b>
<b>Total Board of Education</b>	<b>\$10,616</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,616</b>
<b><u>Business Services</u></b>					
<b><u>Fiscal Services</u></b>					
Salary and Wage Adjustments	45,413				45,413
Projected rate increase for liability insurance				25,546	25,546
Workers compensation insurance adjustments related to position changes and wage increases	65,667	1,663	(12,379)	(23,463)	31,488
Pension adjustment based on change in State of Maryland pension contribution	(332,516)				(332,516)
Pension reductions related to position changes		12,578	(125,047)		(112,469)
Social Security adjustments related to new positions and salary changes	653,116	17,918	(232,483)		438,551
Reversal of year end transfer for Social Security		315,000			315,000
Change in debt service interest		(16,625)			(16,625)
Change in debt service principal		16,625			16,625
<b>Fiscal Services</b>	<b>431,680</b>	<b>347,159</b>	<b>(369,909)</b>	<b>2,083</b>	<b>411,013</b>
<b><u>Purchasing</u></b>					
Salary and Wage Adjustments	22,066				22,066
Turnover Adjustment	(15,389)				(15,389)
Eliminate Purchasing Assistant position			(34,835)		(34,835)
<b>Purchasing</b>	<b>6,677</b>	<b>-</b>	<b>(34,835)</b>	<b>-</b>	<b>(28,158)</b>
<b>Total Business Services</b>	<b>\$438,357</b>	<b>\$347,159</b>	<b>(\$404,744)</b>	<b>\$2,083</b>	<b>382,855</b>
<b><u>Curriculum &amp; Instruction</u></b>					
<b><u>Curriculum Development</u></b>					
Salary and Wage Adjustments	133,486				133,486
Turnover Adjustment	(13,036)				(13,036)
Reduction in professional development salaries			(18,213)		(18,213)
Reduction in professional development substitutes			(18,213)		(18,213)
Transfer funds from other salaries to temporary help		23,000			23,000
Transfer funds to temporary help from other salaries		(23,000)			(23,000)
Reduce consulting fees		(5,000)			(5,000)
Reduce postage/courier expenses		(500)			(500)
Reduce mileage/parking and tolls		(5,000)			(5,000)
Increase professional dues		500			500
Increase institutes/conferences and meetings		5,000			5,000
Increase other equipment		10,000			10,000
<b>Curriculum Development</b>	<b>120,450</b>	<b>5,000</b>	<b>(36,426)</b>	<b>-</b>	<b>89,024</b>
<b><u>Office of Accountability</u></b>					
Salary and Wage Adjustments	9,917				9,917
Temporary help adjustments		20,000	(10,000)		10,000
Reduce consulting fees		(4,000)	(1,000)		(5,000)
Reduce copier/machine rental		(1,000)			(1,000)
Reduce office supplies		(1,000)			(1,000)
Reduce other supplies			(1,000)		(1,000)
Reduce testing supplies/contracted service		(14,000)	(35,000)		(49,000)
<b>Office of Accountability</b>	<b>9,917</b>	<b>-</b>	<b>(47,000)</b>	<b>-</b>	<b>(37,083)</b>

**HARFORD COUNTY PUBLIC SCHOOLS**  
**Summary of Fiscal 2017 Unrestricted Operating Budget Changes**

**Fiscal 2016 Adjusted Unrestricted Operating Budget** **\$ 433,503,315**

Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business & Critical Needs	Fiscal 2017 Budget
<b><u>Professional Development</u></b>					
Salary and Wage Adjustments	36,520				36,520
Reduce new teacher professional development days			(10,000)		(10,000)
Reduce school improvement funds			(54,000)		(54,000)
Reduce professional development training supplies			(3,000)		(3,000)
<b>Professional Development</b>	<b>36,520</b>	<b>-</b>	<b>(67,000)</b>	<b>-</b>	<b>(30,480)</b>
<b>Total Curriculum and Instruction</b>	<b>\$166,887</b>	<b>\$5,000</b>	<b>(\$150,426)</b>	<b>\$0</b>	<b>\$21,461</b>
<b><u>Education Services</u></b>					
<b><u>Career &amp; Technology</u></b>					
Salary and Wage Adjustments	287,876				287,876
Transfer commencement expenses to regular programs		(3,182)			(3,182)
<b>Career &amp; Technology</b>	<b>287,876</b>	<b>(3,182)</b>	<b>-</b>	<b>-</b>	<b>284,694</b>
<b><u>Gifted &amp; Talented</u></b>					
Salary and Wage Adjustments	58,256				58,256
Reduce consultant fees			(4,800)		(4,800)
Reduce institutes, conferences & meetings			(1,440)		(1,440)
<b>Gifted &amp; Talented</b>	<b>58,256</b>	<b>-</b>	<b>(6,240)</b>	<b>-</b>	<b>52,016</b>
<b><u>Intervention Services</u></b>					
Salary and Wage Adjustments	19,984				19,984
Reduce extended day program expenses		(10,000)			(10,000)
Increase intervention staff development salaries		10,000			10,000
Reduce staff development expenses			(10,000)		(10,000)
Eliminate 2.0 FTE Intervention Paraeducator positions			(36,300)		(36,300)
Eliminate Intervention Other Salaries			(66,750)		(66,750)
Reduce Intervention extended day services			(130,000)		(130,000)
Eliminate Intervention other supplies			(27,489)		(27,489)
Reduce Multicultural training supplies			(2,600)		(2,600)
Eliminate Intervention other supplies			(35,000)		(35,000)
Reduce Intervention extended day materials of instruction			(7,214)		(7,214)
Eliminate Intervention conferences & meetings			(3,187)		(3,187)
<b>Intervention Services</b>	<b>19,984</b>	<b>-</b>	<b>(318,540)</b>	<b>-</b>	<b>(298,556)</b>
<b><u>Magnet Programs</u></b>					
Salary and Wage Adjustments	29,478				29,478
Reduce International Baccalaureate professional development			(10,550)		(10,550)
Reduce textbook expense for Science/Math Academy			(5,000)		(5,000)
Reduce International Baccalaureate other supplies			(9,290)		(9,290)
Reduction in Math/Science Academy other salaries		(1,700)			(1,700)
<b>Magnet Programs</b>	<b>29,478</b>	<b>(1,700)</b>	<b>(24,840)</b>	<b>-</b>	<b>2,938</b>
<b><u>Office of Elementary, Middle &amp; High School Performance</u></b>					
Salary and Wage Adjustments	15,255				15,255
<b>Total Office of Elem, Mid &amp; High School</b>	<b>15,255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,255</b>
<b><u>Other Special Programs</u></b>					
Salary and Wage Adjustments	90,491				90,491
<b>Other Special Programs</b>	<b>90,491</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,491</b>
<b><u>Regular Programs</u></b>					
Salary and Wage Adjustments	6,158,990				6,158,990
Turnover Adjustment	(2,628,775)				(2,628,775)
Transfer commencement expenses from Career & Tech		3,182			3,182
Transfer funding to Pupil Personnel clerical overtime		(5,000)			(5,000)
Reduce expense for bulletins/guides		(5,000)			(5,000)
Transfer science kits expense to copier rental		(350)			(350)
Additional funding for copier rentals transferred from science kits		350			350
Eliminate 23.0 FTE teaching positions			(1,049,651)		(1,049,651)
Reversal of year end transfer for Regular Program salaries		(2,365,000)			(2,365,000)

**HARFORD COUNTY PUBLIC SCHOOLS**  
**Summary of Fiscal 2017 Unrestricted Operating Budget Changes**

**Fiscal 2016 Adjusted Unrestricted Operating Budget** **\$ 433,503,315**

Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business & Critical Needs	Fiscal 2017 Budget
Reinstate other salary expense related to the Harford Glen overnight program				164,591	164,591
Refreshments for Harford Glen overnight program				57,720	57,720
Increase other science equipment		14,200			14,200
<b>Regular Programs</b>	<b>3,530,215</b>	<b>(2,357,618)</b>	<b>(1,049,651)</b>	<b>222,311</b>	<b>345,257</b>
<b>School Library Media Programs</b>					
Salary and Wage Adjustments	241,067				241,067
Combining film library supplies into professional library supply account		(5,893)			(5,893)
Combining library supplies into one account		5,893			5,893
Combine library equipment into one account		8,393			8,393
Combine audio/visual equipment expense with other equipment		(8,393)			(8,393)
Eliminate 2.0 FTE Media Technicians			(42,340)		(42,340)
Eliminate conference expenses			(2,620)		(2,620)
Projected 5% increase in SAFE databases				21,359	21,359
<b>School Library Media Programs</b>	<b>241,067</b>	<b>-</b>	<b>(44,960)</b>	<b>21,359</b>	<b>217,466</b>
<b>Total Education Services</b>	<b>\$4,272,622</b>	<b>(\$2,362,500)</b>	<b>(\$1,444,231)</b>	<b>\$243,670</b>	<b>\$709,561</b>
<b>Executive Administration</b>					
<b>Communications</b>					
Salary and Wage Adjustments	12,327				12,327
Reduce other contracted services		(280)	(5,000)		(5,280)
Reduce office supplies		(500)			(500)
Reduce printing supplies		(2,000)			(2,000)
Reduce audio/visual supplies		(1,350)			(1,350)
Eliminate Bids/Notices/Advertising expense			(2,268)		(2,268)
Reduce other equipment			(1,357)		(1,357)
<b>Communications</b>	<b>12,327</b>	<b>(4,130)</b>	<b>(8,625)</b>	<b>-</b>	<b>(428)</b>
<b>Equity &amp; Cultural Proficiency</b>					
Salary and Wage Adjustments	7,017				7,017
<b>Community Engagement Office</b>	<b>7,017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,017</b>
<b>Executive Administration Office</b>					
Salary and Wage Adjustments	12,481				12,481
<b>Executive Administration Office</b>	<b>12,481</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,481</b>
<b>Total Executive Administration</b>	<b>\$31,325</b>	<b>(\$4,130)</b>	<b>(\$8,625)</b>	<b>\$0</b>	<b>\$19,070</b>
<b>Extra-Curricular Activities</b>					
<b>Interscholastic Athletics</b>					
Salary and Wage Adjustments	44,025				44,025
<b>Interscholastic Athletics</b>	<b>44,025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,025</b>
<b>Student Activities</b>					
Salary and Wage Adjustments	21,076		(12,000)		9,076
<b>Student Activities</b>	<b>21,076</b>	<b>-</b>	<b>(12,000)</b>	<b>-</b>	<b>9,076</b>
<b>Total Extra-Curricular</b>	<b>\$65,101</b>	<b>\$0</b>	<b>(\$12,000)</b>	<b>\$0</b>	<b>\$53,101</b>
<b>Human Resources</b>					
Salary and Wage Adjustments	65,641				65,641
Health Insurance adjustments to include a projected 4.27% rate increase	2,905,284	(58,905)	(523,445)		2,322,934
Reduce temporary help expense			(1,000)		(1,000)
Reduce legal fees			(10,000)		(10,000)
Reduce institutes, conferences & meetings expense			(2,500)		(2,500)
Reduce business & computer equipment expense			(3,000)		(3,000)
Reduce office equipment expense			(1,500)		(1,500)
Reversal of one time funding in FY16 for health insurance premium holiday				(895,489)	(895,489)
Dental Insurance related to net position changes		(3,290)	(28,331)		(31,621)
Reversal of one time funding in FY16 for dental insurance premium holiday				(42,564)	(42,564)
Reversal of one time funding in FY16 for the OPEB contribution				(1,352,212)	(1,352,212)
Life Insurance related to net position changes and wage adjustments	25,797	586	(83,066)		(56,683)



**HARFORD COUNTY PUBLIC SCHOOLS**  
**Summary of Fiscal 2017 Unrestricted Operating Budget Changes**

**Fiscal 2016 Adjusted Unrestricted Operating Budget** **\$ 433,503,315**

Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business & Critical Needs	Fiscal 2017 Budget
Reverse year end transfer for college credit reimbursement		200,000			200,000
Reduce college credit reimbursement			(200,000)		(200,000)
Elimination of Secretary IV position			(30,810)		(30,810)
<b>Total Human Resources</b>	<b>2,996,722</b>	<b>138,391</b>	<b>(883,652)</b>	<b>(2,290,265)</b>	<b>(\$38,804)</b>
<b>Operations &amp; Maintenance</b>					
<b>Facilities Management</b>					
Salary and Wage Adjustments	636,652				636,652
Turnover Adjustment	(136,373)				(136,373)
Property insurance increase				31,710	31,710
Reversal of year end transfer to environmental compliance		(200,000)			(200,000)
Eliminate 1.0 FTE Preventative Maintenance Tech			(36,131)		(36,131)
Eliminate 1.0 FTE Painter I			(28,121)		(28,121)
Reduction in custodial salaries			(60,000)		(60,000)
Additional equipment for operations & maintenance				162,500	162,500
Reduction in science supplies		(650)			(650)
Transfer contracted service related to science equipment to regular programs science equipment		(11,850)			(11,850)
Track and Turf field maintenance expense				25,000	25,000
<b>Facilities Management</b>	<b>500,279</b>	<b>(212,500)</b>	<b>(124,252)</b>	<b>219,210</b>	<b>382,737</b>
<b>Planning and Construction</b>					
Salary and Wage Adjustments	18,185				18,185
Turnover Adjustment	(16,130)				(16,130)
<b>Planning and Construction</b>	<b>2,055</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,055</b>
<b>Transportation</b>					
Salary and Wage Adjustments	349,694				349,694
Turnover Adjustment	(44,257)				(44,257)
Reduce driver/attendant salaries			(100,000)		(100,000)
Reversal of year end transfer from transportation salaries		200,000			200,000
Reduce bus contract expense due to routing efficiencies			(350,000)		(350,000)
Reversal of year end transfer from contracted bus service expense		600,000			600,000
Bus contract increase				1,745,533	1,745,533
Eliminate after school intervention transportation			(40,331)		(40,331)
Increase field trip recovery expense offset			(65,000)		(65,000)
Reverse FY16 year end transfer for fuel oil		100,000			100,000
<b>Transportation</b>	<b>305,437</b>	<b>900,000</b>	<b>(555,331)</b>	<b>1,745,533</b>	<b>2,395,639</b>
<b>Utility Resource Management</b>					
Salary and Wage Adjustments	2,616				2,616
Transfer electricity funds to maintenance contracts		(100,000)			(100,000)
Reverse FY16 year end transfer for electricity		350,000			350,000
Reduce electricity expense			(200,000)		(200,000)
Reverse FY16 year end transfer for natural gas		450,000			450,000
Reduce natural gas expense			(300,000)		(300,000)
Reverse FY16 year end transfer for heating oil		450,000			450,000
Reduce heating oil expense			(500,000)		(500,000)
Increase equipment maintenance contracts		100,000			100,000
<b>Utility Resource Management</b>	<b>2,616</b>	<b>1,250,000</b>	<b>(1,000,000)</b>	<b>-</b>	<b>252,616</b>
<b>Total Operations &amp; Maintenance</b>	<b>\$810,387</b>	<b>\$1,937,500</b>	<b>(\$1,679,583)</b>	<b>\$1,964,743</b>	<b>\$3,033,047</b>
<b>Safety and Security</b>					
Salary and Wage Adjustments	5,773				5,773
Security Services for Harford Glen overnight program				9,500	9,500
Reduce contracted security services			(13,800)		(13,800)
Reduction in Connect 5 contract			(23,880)		(23,880)
Projected increase in Blackboard Connect 5 Security System offset in Communications		4,130			4,130
<b>Total Safety and Security</b>	<b>\$5,773</b>	<b>\$4,130</b>	<b>(\$37,680)</b>	<b>\$9,500</b>	<b>(\$18,277)</b>

**HARFORD COUNTY PUBLIC SCHOOLS**  
**Summary of Fiscal 2017 Unrestricted Operating Budget Changes**

**Fiscal 2016 Adjusted Unrestricted Operating Budget** **\$ 433,503,315**

Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business & Critical Needs	Fiscal 2017 Budget
<b>Special Education</b>					
Salary and Wage Adjustments	1,456,450				1,456,450
Turnover Adjustment	(427,869)				(427,869)
Conversion of 33.0 FTE Inclusion Helpers to additional teachers and paraeducators		(308,028)			(308,028)
7.0 FTE additional Special Education Teachers		319,459			319,459
17.0 FTE additional Special Education Paraeducators		130,550			130,550
2.0 FTE additional Infant and Toddler Speech and Language Pathologists		92,236			92,236
Eliminate 5.0 FTE vacant Inclusion Helpers			(73,340)		(73,340)
Reduction in Inclusion Helper Substitutes		(74,758)			(74,758)
Reduction in Infant and Toddler contracted services		(130,009)	(200,000)		(330,009)
<b>Total Special Education</b>	<b>\$1,028,581</b>	<b>\$29,450</b>	<b>(\$273,340)</b>	<b>\$0</b>	<b>\$784,691</b>
<b>Student Services</b>					
<b>Health Services</b>					
Salary and Wage Adjustments	151,244				151,244
Transfer 2.0 FTE Nurses to Medical Assistance and add 1.0 FTE Float Nurse			(37,360)		(37,360)
Reverse year end transfer for nursing substitutes		(50,000)			(50,000)
Increase substitute costs associated with nursing coverage for the Harford Glen overnight program				39,642	39,642
<b>Total Health Services</b>	<b>151,244</b>	<b>(50,000)</b>	<b>(37,360)</b>	<b>39,642</b>	<b>103,526</b>
<b>Psychological Services</b>					
Salary and Wage Adjustments	107,731				107,731
Funds transferred from professional salaries for Psychology Intern		23,420			23,420
Funds transferred other salaries for Psychology Intern		(23,420)			(23,420)
Transfer 2.0 FTE Psychologists to Medical Assistance funding			(130,897)		(130,897)
<b>Total Psychological Services</b>	<b>107,731</b>	<b>-</b>	<b>(130,897)</b>	<b>-</b>	<b>(23,166)</b>
<b>Pupil Personnel Services</b>					
Salary and Wage Adjustments	43,146				43,146
Reverse year end transfer for pupil personnel salaries		(50,000)			(50,000)
Clerical overtime expense		5,000			5,000
<b>Total Pupil Personnel Services</b>	<b>43,146</b>	<b>(45,000)</b>	<b>-</b>	<b>-</b>	<b>(1,854)</b>
<b>School Counseling</b>					
Salary and Wage Adjustments	288,807				288,807
Transfer 2.0 FTE Social Workers to Medical Assistance funding			(105,922)		(105,922)
Eliminate 1.0 FTE Guidance Counselor			(45,637)		(45,637)
<b>Total School Counseling</b>	<b>288,807</b>	<b>-</b>	<b>(151,559)</b>	<b>-</b>	<b>137,248</b>
<b>Total Student Services</b>	<b>\$590,928</b>	<b>(\$95,000)</b>	<b>(\$319,816)</b>	<b>\$39,642</b>	<b>\$215,754</b>
<b>Office of Technology &amp; Information</b>					
Salary and Wage Adjustments	105,154				105,154
Increase temporary help expense		20,000			20,000
Reduce consulting expense		(20,000)			(20,000)
Eliminate 1.0 FTE Programmer/Analyst			(80,541)		(80,541)
Eliminate atomic learning software			(75,800)		(75,800)
Hardware maintenance contracts annual increase for network infrastructure/WIFI/Firewall				103,000	103,000
Hardware maintenance contracts increase for network licenses associated with BYOT				112,000	112,000
Increase in annual software maintenance contracts				91,872	91,872
<b>Total Office of Technology &amp; Information</b>	<b>\$105,154</b>	<b>\$0</b>	<b>(\$156,341)</b>	<b>\$306,872</b>	<b>\$255,685</b>
<b>Change</b>	<b>\$10,522,953</b>	<b>\$0</b>	<b>(\$5,370,438)</b>	<b>\$276,245</b>	<b>\$5,428,760</b>

**Fiscal 2017 Board Approved Unrestricted Operating Budget** **\$438,932,075**