

**BOARD OF EDUCATION OF HARFORD COUNTY**

**INFORMATIONAL REPORT**

**DECISION ON APPROVAL OF SUPPLEMENTAL APPROPRIATION  
FOR THE FY 2026 BUDGET**

**June 22, 2026**

**Background Information:**

HCPS is projecting to spend more than the current budget in the unrestricted fund, mainly due to non-public placements in special education. To balance our state categories and ensure there is capacity in our budget for anything unexpected at the end of the year, additional revenue must be appropriated. Miscellaneous and E-Rate Revenue are projected to be higher than budget. The additional funds can be used to balance specific state categories, as needed.

**Discussion:**

Harford County refunded HCPS \$3.0 million from the Healthcare Consortium rate stabilization fund due to the FY25 healthcare settlement. HCPS also received an unexpected E-Rate payment of \$500,000. By appropriating this additional \$2.5 million in revenue, the budget for Non-Public Tuition can be increased to reduce the shortfalls in these areas. Any remaining shortfall will be covered by separate inter-category transfers.

HCPS proposes the following:

- 1) Recognize the additional \$2.5 million in unbudgeted revenue as a supplemental appropriation.
- 2) Increase the budget for Special Education Non-Public Tuition by \$2.5 million.

**Superintendent's Recommendation:**

The Superintendent recommends the Board of Education recognize and assign \$2.5 million as a supplemental appropriation to the FY2026 Unrestricted Budget. (See the next page for details).

## FY 2026 Supplemental Appropriation

DATE: June 22, 2026

<b>Revenue:</b>			
<b>Oracle Accounting String</b>	<b>State Category</b>	<b>Description</b>	<b>Appropriation</b>
10.989900.48240	Revenue	Miscellaneous Revenue	(\$2,000,000)
10.989900.48270	Revenue	Other E-Rate	(\$500,000)
		<b>Total Revenue</b>	<b>(\$2,500,000)</b>
<b>Expenditure:</b>			
<b>Oracle Accounting String</b>	<b>State Category</b>	<b>Description</b>	<b>Appropriation</b>
10.060700.88001.4107.00000.001	Special Education	Non-Public Placements	\$ 2,500,000
		<b>Total Expenditures</b>	<b>\$ 2,500,000</b>

Justification: HCPS is projecting additional revenue in Miscellaneous Revenue due to the \$3.0M refund from the healthcare rate stabilization fund and Other Revenue E-Rate due to an unexpected receipt of funds. HCPS is projected to be over budget in Special Education and requests \$2.5M be budgeted to Non-Public Tuition.

## Supplemental Budget Transfer Approval

\_\_\_\_\_ **Date** **Superintendent of Schools**

\_\_\_\_\_ **Date** **President, Board of Education of Harford County**

\_\_\_\_\_ **Date** **Harford County Executive**

\_\_\_\_\_ **Date** **President, County Council of Harford County**