

BOARD OF EDUCATION OF HARFORD COUNTY

INFORMATIONAL REPORT

DECISION ON TRANSFERS BETWEEN STATE CATEGORIES FOR THE FY2026 BUDGET

August 17, 2026

Background Information:

The Budget Office continuously monitors the status of revenues and expenditures throughout the budget cycle. At fiscal year-end, actual expenditures cannot exceed amounts budgeted in each of the fourteen state reporting categories (Administrative Services, Mid-Level, Instructional Salaries, etc.) that comprise the HCPS Operating Budget. Inter-category budget transfers are necessary to align system resources with student needs, enrollment changes and staffing, program, facility and service requirements.

Discussion:

The initial recommendations for inter-category transfers were approved by the Board of Education on June 22, 2026. After completing all FY2026 entries, additional transfers are required for certain state categories. The Budget Office requests the initial transfer be amended to the following inter-category transfers to account for total expenditures through June 30, 2026:

Special Education: - Non-Public Placements and Teachers Substitutes– Non-Public tuition and Teacher substitutes are projected to be higher than budgeted by June 30, 2026.

Administration: - Legal Fees – Board of Education Legal Fees is projected to be higher than budgeted by June 30, 2026. In addition, the funds for the Superintendent's search were unbudgeted.

Instructional Salaries: - Instructional salaries are projected to be higher than budgeted by June 30, 2026.

Student Health Services: – Student Health Services are projected to be higher than budgeted by June 30, 2026.

Operation of Plant: – Operations are projected to be higher than budgeted by June 30, 2026.

Fixed Charges, Instructional Supplies, and Other Instructional Costs: – Fixed Charges, Instructional Supplies, and Other Instructional Costs are projected to have surplus balances by June 30, 2026.

Superintendent's Recommendation:

The Superintendent recommends approval of the inter-category budget transfers in the amount of \$7,457,000, in accordance with Section 5-105 of the Education Article of the Annotated Code of Maryland. This approval will supersede the June 22, 2026 Board approval of the initial recommended transfers.

Harford County Public Schools					
Inter-Category Operating Budget Transfer for Fiscal Year 2026					
RE: Fiscal Year 2026 Budget Alignment			REVERSING		
DATE: August 17, 2026			Fiscal Year: 2025-2026		
Oracle Account String	Description	Expense	Present Appropriation	Transfer	Revised Appropriation
10.060700.88001.4107.00000	Special Education	Non-Public Placements	\$10,640,406	\$4,750,000	\$15,390,406
10.060400.51101.4103.00000	Special Education	Teachers - Classroom Subs	\$209,900	\$500,000	\$709,900
10.060400.51800.4104.00000	Special Education	Teachers - Other Salaries	\$0	\$500,000	\$500,000
10.080000.51140.4001.00000	Student Health Services	Nurses	\$4,589,928	\$125,000	\$4,714,928
10.080000.51141.4001.00000	Student Health Services	Nurse - Substitutes	\$439,392	\$125,000	\$564,392
10.080000.51800.4001.00000	Student Health Services	Other Salaries	\$0	\$30,000	\$30,000
10.080000.55102.4001.00000	Student Health Services	Computer Equipment	\$0	\$30,000	\$30,000
10.103100.51302.5001.50101	Operations	Custodial Additional Hours	\$111,819	\$350,000	\$461,819
10.103100.52001.5007.50052	Operations	Contracted Services Snow Removal	\$50,000	\$250,000	\$300,000
10.103100.52001.5010.50104	Operations	Contracted Services Refuse Disposal	\$138,000	\$175,000	\$313,000
10.030300.51110.2103.11950	Instructional Salaries	CTE & Magnet Programs	\$0	\$500,000	\$500,000
10.012101.52103.1001.00000	Administration	Legal Fees	\$40,000	\$84,000	\$124,000
10.012101.52001.1001.00001	Administration	Contracted Services	\$0	\$38,000	\$38,000
				\$7,457,000	
Oracle Account String	Description	Expense	Present Appropriation	Transfer	Revised Appropriation
10.120000.54401.XXXX.00000	Fixed Charges	Health Insurance Active Employees	\$84,450,357	-\$4,335,000	\$80,115,357
10.120000.54402.XXXX.00000	Fixed Charges	Health Insurance Retirees	\$29,034,547	-\$1,500,000	\$27,534,547
10.120000.54407.XXXX.00000	Fixed Charges	Retirement - Teachers	\$15,690,950	-\$1,000,000	\$14,690,950
10.040100.53202.2001.00000	Instructional Supplies	Software - MOI	\$647,092	-\$122,000	\$525,092
10.051000.52301.4004.119550	Other Instructional Costs	Transfers	\$2,153,398	-\$500,000	\$1,653,398
				-\$7,457,000	
JUSTIFICATION: At fiscal year end, actual expenditures cannot exceed amounts budgeted in each of the fourteen state reporting categories (Administrative Services, Mid-Level, Instructional Salaries, etc.) that comprise the HCPS Operating Budget. Inter-category budget transfers are necessary to align system resources with student needs, enrollment changes and staffing, program, facility and service requirements.					

Inter-Category Operating 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