

Kevin M. Maxwell, Ph.D.
Chief Executive Officer

December 15, 2016

Members, Board of Education
Prince George's County Public Schools
14201 School Lane
Upper Marlboro, Maryland 20772

Dear Board Members:

Pursuant to the Education Article of the Annotated Code of Maryland, the Chief Executive Officer's FY 2018 Proposed Annual Operating Budget for Prince George's County Public Schools is herewith submitted. The proposed budget totals \$2,046,465,637 covering the fiscal year July 1, 2017 through June 30, 2018. This amount is an increase of \$122.6 million or 6.4% over the FY 2017 operating budget.

In FY 2018, federal revenue sources are expected to decrease by (\$6.49 million), due to the relinquishment of the Federal Head Start Grant. State funds are projected to increase by \$33.8 million due to a continued enrollment increase, which is the primary factor in the state formula programs. This includes increases to the Foundation Program, Compensatory Education, Special Education and Limited English Proficiency Aid, as our English Language Learner (ELL) population continues to increase. Also included is the full funding of the Geographic Cost of Education Index (GCEI), and the continued phase-in of Net Taxable Income differential. The County contribution request is \$817.8 million, which is \$119.5 million above the FY 2017 level of funding. Board Sources are projected to decrease by (\$224,405) due to a reduction in E-Rate revenue.

Additionally, changes to the State and County funding amounts may occur as updated state-wide wealth, enrollment, and other information is received during the budget development process.

Funding Source	FY 2017 Approved	FY 2017 Estimated	FY 2018 Proposed	Net Change + / (-)
County Contribution	\$ 698,329,100	\$ 698,329,100	\$ 817,851,842	\$ 119,522,742
State Revenue	1,091,627,000	1,091,627,000	1,125,427,826	33,800,826
Federal Revenue	96,520,100	96,520,100	90,026,474	(6,493,626)
Board Sources	13,383,900	13,383,900	13,159,495	(224,405)
Fund Balance	24,000,000	24,000,000	-	(24,000,000)
Total	\$ 1,923,860,100	\$ 1,923,860,100	\$ 2,046,465,637	\$ 122,605,537

PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS

This budget proposal builds upon the successes we have enjoyed over the last few years, as well as funding several key initiatives to ensure our students are safe. We also have to ensure that all students share the same opportunities and each are given the chance to succeed. To this end, the FY 2018 budget focuses on achieving academic excellence, developing a high-performing workforce, increasing organizational effectiveness, deepening our engagement with families and communities, and providing a safe and supportive school environment.

Of critical importance and focus, are the student safety initiatives in this budget, which are a direct reflection of identified needs by the Student Safety Task Force. The task force recommendations include cultural training for all employees and additional staff to support students.

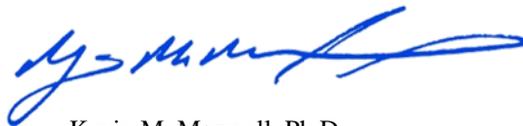
To support academic excellence, we will focus on building literacy and numeracy skills as the foundation for future academic success. We will continue our efforts to increase early childhood opportunities, provide a rigorous educational curriculum, and offer unparalleled programs of choice. This budget recommendation expands all-day prekindergarten programs, and we will add additional Literacy Coaches and Math Specialists to provide support to students who need it the most. This budget provides crucial funding for the continuing expansions and implementations of key academic programs supporting our diverse student population, especially those whose native language is not English. We will also continue to support arts integration and environmental literacy across the curriculum, and funding for our Student-Based Budgeting (SBB) initiative.

To build a high-performing workforce, we will continue recruiting and retaining a talented workforce, with an increased focus on providing training for all staff and volunteers regarding student safety. We are committed to honoring our labor agreements and providing a competitive salary and benefits package for employees. We have taken steps to streamline processes, increase efficiency and reduce costs where we can, such as negotiating lower costs with health care providers and reviewing key business processes.

Prince George's County Public Schools has elevated its academic programs to new levels, students enrollments are increasing and graduation rates are rising.....lending truth that we are on our way to greatness. We have an obligation to teach each and every child, in a safe and secure learning environment. Teachers, administrators, support staff, parents, elected officials and business leaders, working together as one community of resources, will help us meet the varied social and economic challenges our children face.

We will provide every student with a world-class educational experience that prepares them for college and career opportunities. This proposed budget recommendation is just one step in that journey.

Sincerely,



Kevin M. Maxwell, Ph.D.
Chief Executive Officer