

|                                                                                                                                                                                                                                                                                             |                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| <b>Subject:</b> Public Hearing/Action – Supplemental Appropriation to the FY19 Capital Budget and Amendment to the FY19-24 Capital Improvements Program, Montgomery County Public Schools, \$1,388,000 for Technology Modernization Project (Source of Funds: Federal E-Rate Reimbursement) |                                       |
| <b>Purpose:</b> To receive testimony/final action - vote expected                                                                                                                                                                                                                           |                                       |
| <b>Analyst:</b> Craig Howard, Senior Legislative Analyst                                                                                                                                                                                                                                    | <b>Committee:</b> Directly to Council |
| <b>Keywords:</b> #MCPS, schools, technology                                                                                                                                                                                                                                                 |                                       |

## DESCRIPTION/ISSUE

The County Council will hold a public hearing and consider action on a supplemental appropriation to the FY19 Capital Budget and Amendment to the FY19-24 Capital Improvements Program, Montgomery County Public Schools, \$1,388,000 for Technology Modernization Project. The source of funds is Federal E-Rate reimbursement.

## SUMMARY OF KEY DISCUSSION POINTS

- The Board of Education requested this appropriation and CIP amendment on April 29. The County Executive recommended approval on May 10. The Council introduced this supplemental appropriation on May 15.
- The supplemental appropriation is needed to support MCPS' programs to provide access to technology for students beyond the school day and to expand access to interactive panels to all secondary classrooms.
- The Education and Culture Committee discussed this request on April 25 in advance of receiving the request and indicated its unanimous support.
- **Council staff recommends approval.**

### This report contains:

|                                                |      |
|------------------------------------------------|------|
| County Executive Recommendation (May 10, 2019) | ©1   |
| Draft Supplemental Appropriation Resolution    | ©2-3 |
| Board of Education Request (April 29, 2019)    | ©5-7 |

F:\Howard\MCPs\Supplementals FY19\Tech Mod supplemental approp PH-Action 6-25-19.docx

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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Marc Elrich  
County Executive

MEMORANDUM

May 10, 2019

TO: Nancy Navarro, President, County Council

FROM: Marc Elrich, County Executive *Marc Elrich*

SUBJECT: Supplemental Appropriation 12-S19-MCPS-2 to the FY19 Capital Budget  
Montgomery County Public Schools  
Technology Modernization (036510), \$1,388,000

I am recommending a supplemental appropriation to the FY19 Capital Budget and amendment to the FY19-24 Capital Improvements Program in the amount of \$1,388,000 for Technology Modernization (036510). Appropriation for this project will fund eligible projects through Federal Aid.

This increase is needed to allow MCPS to use rebates for internet and telecommunication service costs. MCPS has been using E-Rate rebates to support improving student access to technology by purchasing technology hardware and software, as part of its technology modernization plan.

I recommend that the County Council approve this supplemental appropriation to the FY19-24 Capital Improvements Program in the amount of \$1,388,000 and specify the source of funds as Federal Aid.

I appreciate your prompt consideration of this action.

ME:ellf

Attachment: Supplemental Appropriation to the FY19-24 Capital Improvements Program 12-S19-MCPS-2  
Board of Education Request

RECEIVED  
MONTGOMERY COUNTY  
2019 MAY 10 PM 3:58

Resolution: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation 12-S19-MCPS-2 to the FY18 Capital Budget  
Montgomery County Public Schools  
Technology Modernization (036510), \$1,388,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. The County Executive recommends the following capital project appropriation increases:

| <u>Project Name</u>         | <u>Project Number</u> | <u>Cost Element</u>                  | <u>Amount</u> | <u>Source of Funds</u> |
|-----------------------------|-----------------------|--------------------------------------|---------------|------------------------|
| Technology<br>Modernization | 036510                | Planning, Design,<br>and Supervision | \$ 1,388,000  | Federal Aid            |

4. This increase is needed to allow MCPS to use rebates for internet and telecommunication service costs. MCPS has been using E-Rate rebates to support improving student access to technology by purchasing technology hardware and software, as part of its technology modernization plan.
5. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

The FY19-24 Capital Improvements Program of the Montgomery County Public Schools is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

| <u>Project Name</u>         | <u>Project Number</u> | <u>Cost Element</u>                  | <u>Amount</u> | <u>Source of Funds</u> |
|-----------------------------|-----------------------|--------------------------------------|---------------|------------------------|
| Technology<br>Modernization | 036510                | Planning, Design,<br>and Supervision | \$ 1,388,000  | Federal Aid            |

This is a correct copy of Council action.

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Megan Davey Limarzi, Clerk of the Council

# Technology Modernization (P036510)

|                      |                                  |                             |                |
|----------------------|----------------------------------|-----------------------------|----------------|
| <b>Category</b>      | Montgomery County Public Schools | <b>Date Last Modified</b>   | 03/14/19       |
| <b>SubCategory</b>   | Countywide                       | <b>Administering Agency</b> | Public Schools |
| <b>Planning Area</b> | Countywide                       | <b>Status</b>               | Ongoing        |

| Total | Thru FY18 | Rem FY18 | Total<br>6 Years | FY 19 | FY 20 | FY 21 | FY 22 | FY 23 | FY 24 | Beyond<br>6 Years |
|-------|-----------|----------|------------------|-------|-------|-------|-------|-------|-------|-------------------|
|-------|-----------|----------|------------------|-------|-------|-------|-------|-------|-------|-------------------|

### EXPENDITURE SCHEDULE (\$000s)

|                                  |                |                |              |                |                   |               |               |               |               |               |
|----------------------------------|----------------|----------------|--------------|----------------|-------------------|---------------|---------------|---------------|---------------|---------------|
| Planning, Design and Supervision | -423,076       | 267,780        | 7,427        | 147,809        | <del>24,406</del> | 25,366        | 25,484        | 25,143        | 25,246        | 25,164        |
| <b>TOTAL EXPENDITURES</b>        | <b>423,076</b> | <b>267,780</b> | <b>7,427</b> | <b>147,809</b> | <b>24,406</b>     | <b>25,366</b> | <b>25,484</b> | <b>25,143</b> | <b>25,246</b> | <b>25,164</b> |
|                                  | <i>424,404</i> |                |              |                | <i>22,794</i>     |               |               |               |               |               |

### FUNDING SCHEDULE (\$000s)

|                              |                   |                |              |                  |                  |               |               |               |               |               |
|------------------------------|-------------------|----------------|--------------|------------------|------------------|---------------|---------------|---------------|---------------|---------------|
| Current Revenue: General     | 188,929           | 52,818         | 36,860       | 99,251           | 11,110           | 10,685        | 16,855        | 14,542        | 23,557        | 22,502        |
| Federal Aid                  | <del>10,608</del> | 21,210         | (1,707)      | <del>1,500</del> | <del>1,500</del> |               |               |               |               |               |
| Recordation Tax              | 214,584           | 193,752        | (27,726)     | 48,558           | 10,296           | 14,681        | 8,629         | 10,601        | 1,689         | 2,662         |
| <b>TOTAL FUNDING SOURCES</b> | <b>423,016</b>    | <b>267,780</b> | <b>7,427</b> | <b>147,809</b>   | <b>24,406</b>    | <b>25,366</b> | <b>25,484</b> | <b>25,143</b> | <b>25,246</b> | <b>25,164</b> |
|                              | <i>424,404</i>    |                |              |                  | <i>22,794</i>    |               |               |               |               |               |

### APPROPRIATION AND EXPENDITURE DATA (\$000s)

|                             |              |                          |         |
|-----------------------------|--------------|--------------------------|---------|
| Appropriation FY 20 Request | 25,366       | Year First Appropriation | FY03    |
| Cumulative Appropriation    | 295,307      | Last FY's Cost Estimate  | 423,016 |
| Expenditure / Encumbrances  | 267,780      |                          |         |
| Unencumbered Balance        | 27,527       |                          |         |
|                             | <i>1,308</i> |                          |         |

### PROJECT DESCRIPTION

The Technology Modernization (Tech Mod) project is a key component of the MCPS strategic technology plan, Educational Technology for 21st Century Learning. This plan builds upon the following four goals: students will use technology to become actively engaged in learning, schools will address the digital divide through equitable access to technology, staff will improve technology skills through professional development, and staff will use technology to improve productivity and results. An FY 2015 appropriation was approved to continue the technology modernization program which will enable MCPS to provide mobile (laptop and tablet) devices in the classrooms. The County Council adopted FY 2015-2020 CIP is approximately \$21 million less than the Board's request over the six year period. However, e-rate funding anticipated for FY 2015 and FY 2016 will bring expenditures in those two years up to the Board's request to begin the new initiative to provide mobile devices for students and teachers in the classroom. The County Council, during the review of the amended FY 2015-2020 CIP, programmed an additional \$2 million in FY 2016 for this project. A supplemental appropriation was approved to have the \$2 million appropriated to MCPS. An FY 2016 appropriation was approved to continue the technology modernization program. An FY 2017 appropriation was approved to continue the technology modernization program as well as fund 16 information technology system specialist positions being reallocated from the operating budget to the capital budget. An FY 2018 appropriation was approved to continue this project. An FY 2019 appropriation was approved to continue this project and the technology modernization program to our schools throughout the system. However, due to fiscal constraints, the County Council approved a reduction of \$3.622 million in FY 2019 from the Board of Education's request. An FY 2020 appropriation is requested to continue this project.

### FISCAL NOTE

FY19 and FY20 funding switch between Recordation Tax and Current Revenue General for \$10,296,000 and 6,280,000 respectively. FY19 supplemental in Federal Aid for \$1,388,322.

### COORDINATION

FY 2019 -- Salaries and Wages: \$4.819M, Fringe Benefits: \$893K, Workyears: 36.5 FY 2020-2024 -- Salaries and Wages \$24.1M, Fringe Benefits \$4.5M, Workyears: 182.5

Office of the Superintendent of Schools  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

May 7, 2019

MEMORANDUM

To: The Honorable Marc Elrich, County Executive  
The Honorable Nancy Navarro, President, Montgomery County Council

From: Jack R. Smith, Superintendent of Schools

Subject: Transmittal of Board of Education Agenda Item #10.10

Recommended Fiscal Year 2019 Supplemental Appropriation Request for Technology Modernization

BOE Meeting Date: April 29, 2019

Amount: \$1,388,322

Type of Action: Approval

JRS:AMZ:ak

Attachment

Copy to:

Dr. Zuckerman

Ms. Karamihas

Mr. Song

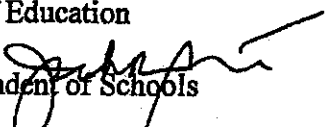
Montgomery County Office of Management and Budget

Office of the Superintendent of Schools  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

April 29, 2019

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools 

Subject: Fiscal Year 2019 Supplemental Appropriation Request for Technology Modernization

**Background**

The County Council has approved the expenditure of Federal Education Rate (E-Rate) funds in the Montgomery County Public Schools (MCPS) Capital Improvements Program Technology Modernization Project since Fiscal Year 2010. E-Rate, the Federal Communication Commission's Schools and Libraries Program, provides incentives for the use of technology in schools by offering rebates on Internet and telecommunication service costs. MCPS has been using E-Rate rebates for many years, to support improving student access to technology by purchasing technology hardware and software, as part of the larger technology modernization plan. These rebates apply to expenditure costs that the district incurs for Internet, telephone (landlines and wireless) services, and network connections.

The continued increase in the use of technology for teaching and learning remains an important strategy in supporting the initiatives articulated in our system's Strategic Priorities. For many years, MCPS has focused on expanding "anywhere and anytime" access to digital teaching and learning resources for all staff and students. Specifically, this work has enabled the expansion of wireless infrastructure for all school buildings and all classrooms. It also was coupled with the implementation of individual devices for classrooms including Chromebooks and iPads. These initiatives have created an environment where the school system's expanding digital curriculum and resources can be fully utilized. It is enabling our instructional staff to cultivate 21st century learning spaces in all of our schools. These initiatives directly support and align to the district's priorities, including the ongoing conversion to a digital curriculum, real-time assessment of and feedback for students, and the commitment to increased access to Science, Technology, Engineering, and Mathematics courses and experiences.

This E-Rate reimbursement funding will support the work through the Technology Modernization Project to provide interactive panels in all secondary classrooms. This work began in the 2008–2009 school year, when MCPS installed interactive whiteboards in 65 percent of all secondary classrooms. In 2013, MCPS continued the rollout to all elementary school core classrooms. Since that time, additional efforts have been made to supply interactive whiteboards to the remaining secondary classrooms through various means including grants, repurposing older interactive whiteboards as schools underwent building modernization, and Parent Teacher Student Association partnerships. We are still short of equipping interactive whiteboards to 100 percent of all secondary classrooms. Our plan is to use these funds to move toward completion of equipping interactive panels in all classrooms at the secondary level. This will offset budget cuts from prior years that have hindered efforts to provide equitable access to these classroom technologies.

A supplemental appropriation request is necessary in the amount of \$1,388,322 to support the previous plans and continued work in the Technology Modernization CIP Project. The source of revenue is Federal E-Rate Reimbursement funding. Therefore, I recommend that the Board approve the following resolution.

WHEREAS, Federal Education Rate funds in the amount of \$1,388,322 are available as a Fiscal Year 2019 appropriation to provide additional funding necessary to assist with the purchase of interactive panels for select secondary classrooms; now therefore be it

Resolved, That the Board of Education request a Fiscal Year 2019 supplemental appropriation in the amount of \$1,388,322 for the Technology Modernization Capital Improvements Program Project to expend Federal Education Rate funds received in 2019 to support the needed and continued expansion of interactive panel technologies in classrooms that do not have interactive whiteboards; and be it further

Resolved, That a copy of this resolution be forwarded to the county executive and the County Council; and be it further

Resolved, That the county executive be requested to recommend approval of this resolution to the County Council.

JRS:AMZ:sjk