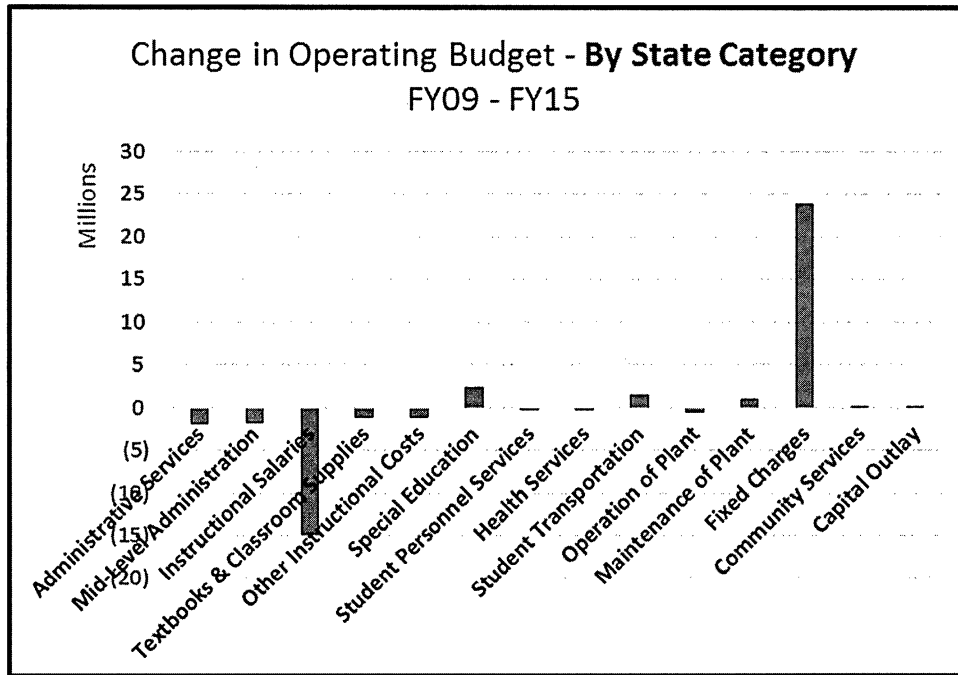


Expenditures

Balancing the Unrestricted Operating Budget FY 2009 – 2015

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, \$16.0 million to maintain employee/retiree health and dental benefits, \$8.9 million increase in employee pension cost, \$2.4 million increase to provide mandated special education services and \$1.7 million increase for transportation services. For five of the last six years, HCPS employees have not received step increases or cost of living adjustments. HCPS employees received their only salary/wage increase during this period in fiscal year 2013 which totaled \$10.0 million.



Cost Saving Measures Implemented FY 2009 – 2015

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 six 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 2015 was resolved, in part, by:

- Utilizing recurring salary savings from employee turnover in excess of \$13.7 million
- Eliminating over 241 positions at a savings of \$12.1 million
- Reductions in utility consumption totaling \$2.3 million
- Modifications to transportation routes/services saving \$1.4 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, an additional \$4.4 million of fund balance was required to balance the Unrestricted Operating Budget from fiscal year 2009 to fiscal year 2015.

Expenditures

Budget Development Process

The following budget strategies were central to the development of the fiscal year 2016 Operating Budget:

2016 Budget Strategies

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

During the fiscal 2016 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 2016 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.

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 six 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) 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
- Wage/Benefit changes for Active and Retired Employees

Expenditures

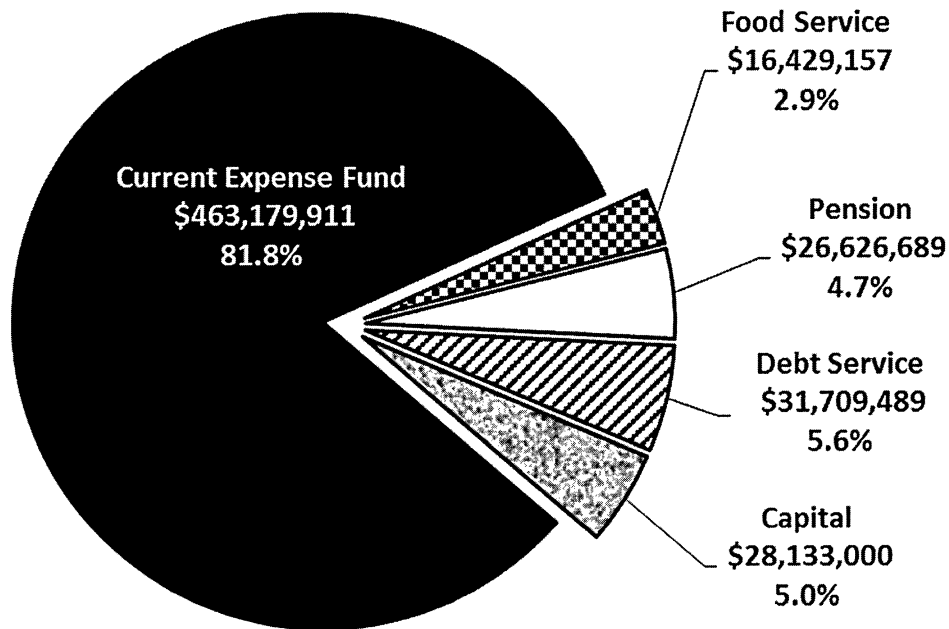
All Funds

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 \$463.2 million for fiscal 2016. 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 \$16.4 million for fiscal 2016. Additional detail is provided in the Food Service section located in Tab 23 of this document. Debt Service funds in the estimated amount of \$31.7 million are managed by the Harford County Government and additional detail is provided in Tab 24. The Capital Projects Fund totaling almost \$28.1 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 2016. More detail on the Pension Fund is provided in the Pension section located in Tab 26 of this document.

Expenditures - All Funds							
	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2015 Budget	FY 2016 Budget	Change FY15 - FY16	% Chg.
Unrestricted Fund	424,347,633	422,319,069	420,745,698	429,407,854	431,213,050	1,805,196	0.4%
Restricted Fund	30,645,648	29,727,813	31,402,459	32,359,330	31,966,861	(392,469)	-1.2%
Current Expense Fund	\$ 454,993,281	\$ 452,046,882	\$ 452,148,157	\$ 461,767,184	\$ 463,179,911	\$ 1,412,727	0.3%
Food Service	15,413,941	15,426,454	15,964,573	15,778,740	16,429,157	650,417	
Debt Service	29,736,815	30,172,314	30,695,880	30,642,263	31,709,489	1,067,226	
Capital	37,191,795	29,217,876	33,669,871	33,626,000	28,133,000	(5,493,000)	
Pension	26,284,223	29,187,145	29,257,412	29,257,412	26,626,689	(2,630,723)	
Total - All Funds	\$ 563,620,055	\$ 556,050,671	\$ 561,735,893	\$ 571,071,599	\$ 566,078,246	\$ (4,993,353)	

FY 2016 Expenditures All Funds - \$566,078,246



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 2016 increased \$1.8 million and Restricted Fund expenditures decreased \$4 million. The total Current Expense Fund Budget for fiscal 2016 is \$463.2 million, an increase of \$1.4 million or .3% from fiscal 2015. The fiscal 2016 Current Expense Fund Budget is summarized below by program area:

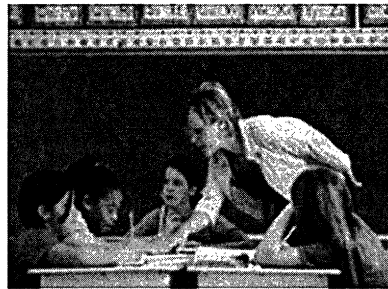
Expenditures - Current Expense Fund								
Tab		FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2015 Budget	FY 2016 Budget	Change FY15 - FY16	% Chg.
10	Board of Education	591,173	615,890	573,815	652,668	683,384	30,716	
	Board of Education Services	230,006	226,221	196,032	273,377	271,661	(1,716)	
	Internal Audit Services	154,986	155,936	156,160	157,796	185,725	27,929	
	Legal Services	206,181	233,733	221,623	221,495	225,998	4,503	
11	Business Services	31,805,847	32,726,564	33,649,740	34,224,800	35,702,451	1,477,651	
	Fiscal Services	30,897,144	31,849,944	32,762,338	33,335,760	34,780,995	1,445,235	
	Purchasing	908,703	876,620	867,402	889,040	921,456	32,416	
12	Curriculum and Instruction	4,530,466	4,770,320	5,792,305	6,024,064	5,972,558	-51,506	
	Curriculum Dev and Implementation	2,883,851	3,137,254	3,948,686	4,095,878	4,090,608	(5,270)	
	Office of Accountability	766,518	771,196	849,460	838,080	775,574	(62,506)	
	Professional Development	880,097	861,870	994,159	1,090,106	1,106,376	16,270	
13	Education Services	178,907,738	173,196,765	169,110,438	171,817,062	172,686,405	869,343	
	Career and Technology Programs	8,416,038	7,729,956	7,314,988	7,467,905	7,666,955	199,050	
	Gifted and Talented Program	1,548,646	1,416,884	1,319,863	1,497,987	1,442,591	(55,396)	
	Intervention Services	1,096,498	992,010	963,518	1,018,951	940,897	(78,054)	
	Magnet Programs	1,953,409	1,581,615	1,507,865	1,591,596	1,617,543	25,947	
	Office of Elem/Mid/High Schools	705,233	569,870	566,789	588,062	613,613	25,551	
	Other Special Programs	2,860,781	2,805,427	2,742,992	2,843,106	2,894,356	51,250	
	Regular Programs	155,456,008	151,612,212	148,613,155	150,489,105	151,312,420	823,315	
	School Library Media Program	6,279,536	5,963,340	5,937,603	6,092,051	6,019,886	(72,165)	
	Summer School	591,589	525,451	143,665	228,299	178,144	(50,155)	
14	Executive Administration	2,009,513	1,540,687	1,576,558	1,626,573	1,557,920	(68,653)	
	Communications	401,688	352,176	370,631	407,285	389,931	(17,354)	
	Equity and Cultural Proficiency	370,441	281,953	285,795	304,022	226,409	(77,613)	
	Executive Administration Office	1,237,384	906,558	920,132	915,266	941,580	26,314	
15	Extra Curricular Activities	3,544,901	3,446,556	3,527,178	3,667,785	3,705,003	37,218	
	Interscholastic Athletics	2,792,037	2,715,843	2,752,504	2,843,211	2,858,290	15,079	
	Student Activities	752,864	730,713	774,674	824,574	846,713	22,139	
16	Human Resources	72,027,693	74,535,210	76,191,370	78,070,481	76,063,230	(2,007,251)	
17	Operations and Maintenance	66,984,483	68,041,156	66,032,780	68,036,493	68,547,748	511,255	
	Facilities Management	21,478,610	21,285,372	21,300,382	21,726,521	21,858,565	132,044	
	Planning and Construction	818,624	786,683	788,744	857,063	873,680	16,617	
	Transportation	31,218,016	30,411,148	30,336,181	30,749,648	30,452,527	(297,121)	
	Utility Resource Management	13,469,233	15,557,953	13,607,473	14,703,261	15,362,976	659,715	
18	Safety and Security	876,245	862,128	900,263	919,765	888,527	(31,238)	
19	Special Education	39,912,925	40,023,022	40,616,607	41,023,480	41,202,897	179,417	
20	Student Services	14,343,587	13,927,763	13,945,994	14,197,670	14,388,644	190,974	
	Health Services	3,283,239	3,229,471	3,355,916	3,504,222	3,287,076	(217,146)	
	Psychological Services	2,303,721	2,220,408	2,182,625	2,234,261	2,336,210	101,949	
	Pupil Personnel Services	1,623,005	1,640,337	1,644,312	1,681,292	1,692,980	11,688	
	School Counseling Services	7,133,622	6,837,547	6,763,141	6,777,895	7,072,378	294,483	
21	Office of Technology & Information	8,813,062	8,633,008	8,828,650	9,147,013	9,814,283	667,270	
	Unrestricted Fund	424,347,633	422,319,069	420,745,698	429,407,854	431,213,050	1,805,196	0.4%
22	Restricted Fund	30,645,648	29,727,813	31,402,459	32,359,330	31,966,861	(392,469)	-1.2%
	Current Expense Fund	\$ 454,993,281	\$ 452,046,882	\$ 452,148,157	\$ 461,767,184	\$ 463,179,911	\$ 1,412,727	0.3%

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:

Current Expense Fund - By State Category						
SUMMARY BY CATEGORY	Unrestricted		Restricted		Current Expense	
	FY 2016		FY 2016		FY 2016	
	Budget	FTE	Budget	FTE	Budget	FTE
Administrative Services	\$10,518,865	118.7	\$560,000	1.0	\$11,078,865	119.7
Mid-Level Administration	\$25,125,976	341.8	\$448,068	9.0	\$25,574,044	350.8
Instructional Salaries	\$157,705,559	2,608.8	\$4,783,555	66.2	\$162,489,114	2,675.0
Textbooks & Classroom Supplies	\$7,203,605	0.0	\$815,527	0.0	\$8,019,132	0.0
Other Instructional Costs	\$2,794,907	0.0	\$1,808,088	0.0	\$4,602,995	0.0
Special Education	\$41,286,095	891.9	\$17,391,216	151.7	\$58,677,311	1,043.6
Student Services	\$1,692,980	22.5	\$0	2.0	\$1,692,980	24.5
Health Services	\$3,287,076	72.7	\$0	0.0	\$3,287,076	72.7
Student Transportation	\$30,329,248	217.4	\$0	0.0	\$30,329,248	217.4
Operation of Plant	\$30,285,517	337.3	\$0	0.0	\$30,285,517	337.3
Maintenance of Plant	\$12,989,265	125.0	\$0	0.0	\$12,989,265	125.0
Fixed Charges	\$106,908,676	0.0	\$5,903,518	0.0	\$112,812,194	0.0
Community Services	\$526,862	1.6	\$0	0.0	\$526,862	1.6
Capital Outlay	\$558,419	0.0	\$256,889	0.0	\$815,308	0.0
TOTAL	\$ 431,213,050	4,737.7	\$ 31,966,861	229.9	\$ 463,179,911	4,967.6



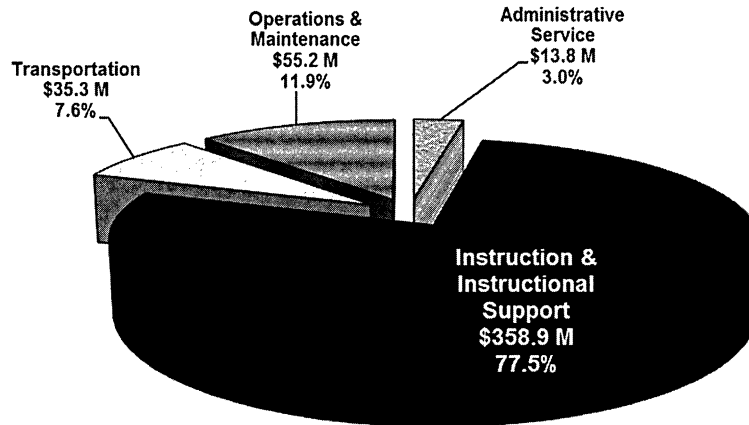
Current Expense Fund - By Object Class						
SUMMARY BY OBJECT	Unrestricted		Restricted		Current Expense	
	FY 2016		FY 2016		FY 2016	
	Budget	FTE	Amount	FTE	Amount	FTE
Salary and Wages	\$252,324,368	4,737.7	\$13,384,580	229.9	\$265,708,948	4,967.6
Contracted Services	\$40,047,532		\$10,363,046		\$50,410,578	
Supplies and Materials	\$12,996,411		\$981,775		\$13,978,186	
Other Charges	\$124,678,209		\$6,362,442		\$131,040,651	
Equipment	\$1,726,530		\$315,018		\$2,041,548	
Transfers	(\$560,000)		\$560,000		\$0	
TOTAL	\$ 431,213,050	4,737.7	\$ 31,966,861	229.9	\$ 463,179,911	4,967.6

Expenditures

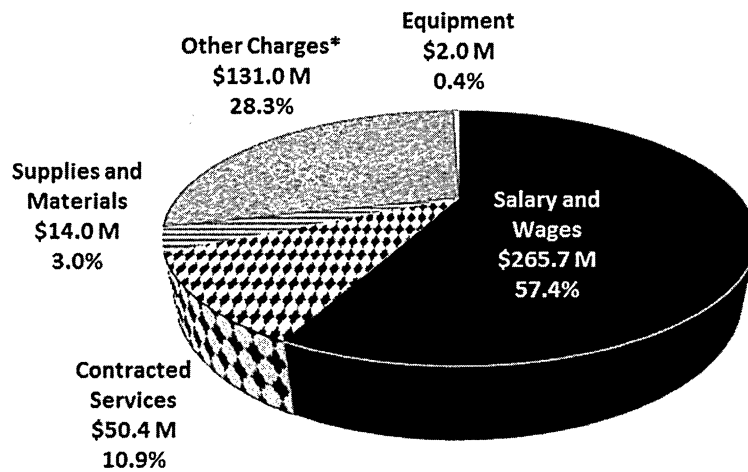
How does HCPS Spend Its Money?

FY 2016 Current Expense Fund - \$463.2 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 2015 – FY 2016

Revenue

Revenue Source	FY15	Change	FY16
Local	223,667,302	4,541,669	228,208,971
MD State	194,044,183	290,861	194,335,044
Federal	390,000	0	390,000
Other	5,772,494	(2,243,459)	3,529,035
Fund Balance	5,533,875	(783,875)	4,750,000
Total Revenue	\$429,407,854	\$1,805,196	\$431,213,050

Expenditures

Positions	FY 2015 Unrestricted Budget Revised*	FY 2016 Approved Unrestricted Budget	
4,782.7	\$429,407,854	\$431,213,050	
	Salary/Wage Adjustments:		
	Salary/Wage Package	8,860,789	
	Salary Turnover Savings for FY16	(3,000,000)	5,860,789
	Benefit Adjustments:		
	Teacher Pension System	1,342,581	
	Net Health/Dental Insurance Adjustme	1,898,480	3,241,061
(71.0)	Cost Saving Measures & Reversals:	(7,895,317)	(7,895,317)
	Reversal of FY15 OPEB supplemental appropriation		(2,436,566)
	Cost of Doing Business Adjustments:		
(1.0)	CDB - Instruction Education Services	0	
27.0	CDB - Instruction Special Education	1,542,669	
0.0	CDB - Operations	1,238,440	
0.0	CDB - Administration	254,120	3,035,229
(45.0)	Total - Change FY15 - FY16	1,805,196	0.4% Increase
4,737.7	FY 2016 Approved Unrestricted Budget	\$431,213,050	

*Includes FY15 supplemental OPEB appropriation..

Positions

Position	FTE
Special Education Teachers - Autism Program	3.0
School Psychologist - Elementary Autism Program	1.0
Special Education Teacher - Edgewood Middle CSP Program	1.0
Social Worker - CSP Programs	2.0
Special Education Teachers	(5.0)
Regular Program Teachers	(33.0)
ESOL Teacher	1.0
Teacher - On loan to MSDE	(1.0)
Total Teacher/Teacher Specialist Positions	(31.0)
Special Education Paraeducators - Autism Program	19.0
Special Education Paraeducator - Edgewood Middle CSP Program	1.0
Regular Program Paraeducators	(8.0)
Special Education Inclusion Helpers	(14.0)
ESOL Technicians	(2.0)
In-School Suspension Technician	1.0
Lead Secretary	(1.0)
Custodians	(10.0)
Total Other Support Positions	(14.0)
Total Change - Unrestricted Budget Positions	(45.0)

Expenditures

Salary/Wage Package – The Board of Education’s Proposed Budget for fiscal year 2015, released in January 2014, included a salary/wage package of 13.7 million for Harford County Public School employees. Due to the absence of step increases and Cost of Living Adjustments (COLA) in five of the past six fiscal years, it was the intent of the Board of Education to avoid falling further behind in regard to employee wages. However, new funding was not adequate to cover the proposed wage increase. With the approval of the fiscal year 2016 Budget on June 1, 2015, the Board of Education approved a revised wage package totaling \$8.9 million and an increase in employee benefits totaling \$3.2 million.

The following charts provides a comparison of the five year salary progression of a new teacher 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...

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

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

	Harford	Cecil	Baltimore
10 th Year 2008-2009	\$56,988	\$55,659	\$53,508
11 th Year 2009-2010	\$56,988	\$57,760	\$56,959
12 th Year 2010-2011	\$56,988	\$60,452	\$58,810
13 th Year 2011-2012	\$56,988	\$62,150	\$60,722
14 th Year 2012-2013	\$59,289	\$64,643	\$62,695
15 th Year 2013-2014	\$59,289	\$67,693	\$63,792
16 th Year 2014-2015	\$59,289	\$70,429	\$64,909

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) for updates and information regarding negotiations.

Expenditures

Turnover Savings - Each year as experienced employees retire or separate service with HCPS and new employees are hired at lower rates of pay, a "turnover" salary savings is generated. Annually this salary savings is utilized, in the order listed below, by HCPS to fund:

- The loss of revenue (local, state, federal and other sources)
- Costs to maintain current operations, commonly referred to as "cost of doing business"
- Cost to maintain current employee and retiree benefit packages (rate increase & new retirees)
- And if funds are still available, an employee wage package

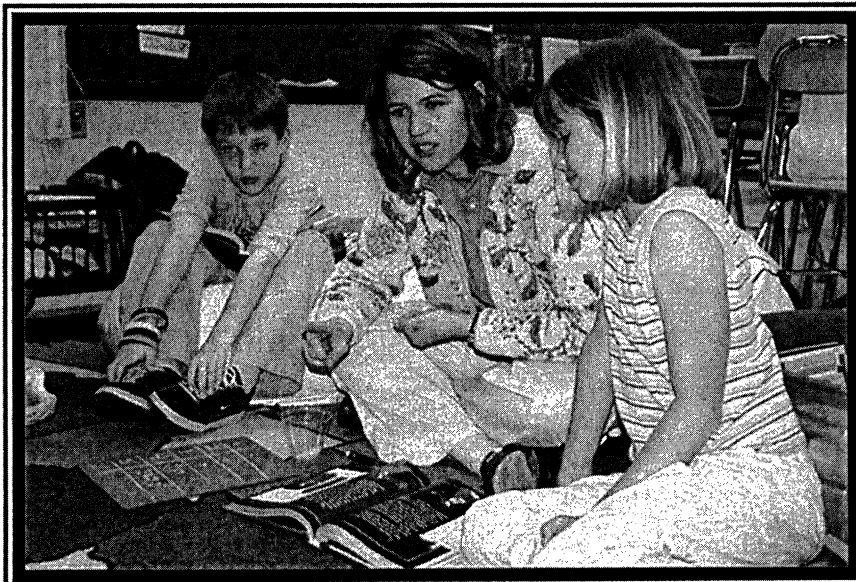
For fiscal year 2016, salary savings due to the retirement and separation of high salary employees being replaced with new teachers at lower salaries totaled \$3.0 million. This savings was utilized in the fiscal year 2016 budget to cover "cost of doing business" increases of \$3.0 million.

Rising Health & Dental Care Costs

Harford County Public Schools provides health and dental care coverage to 4,302 employees and policies for 3,147 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 \$37.3 million in fiscal year 2005 to over \$69.1 million in fiscal 2015, **an increase of 85%**. The cost of providing dental care insurance to employees and retirees has risen from \$2.8 million in fiscal year 2005 to over \$4.1 million in fiscal 2014, **an increase of 45%**.

Employee/Retiree Benefits - For fiscal year 2016, health and dental care insurance rates are projected to increase by 2.25%. In total, \$1.9 million was added to the FY 2016 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 2016, the net pension increase to the Unrestricted Operating Budget for teachers totals \$1.3 million.



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 more than 200 positions. Each budget manager was asked to search current budget line items and practices for areas of cost savings and efficiencies. The following combination of cost saving measures and reversals of one time budget items allowed HCPS to reduce expenditures by \$7.9 million for fiscal year 2016. With limited new funding available for fiscal year 2016, these cost saving measures were necessary in fund the \$8.9 million employee wage package, \$3.2 million increase in employee benefits and \$3.0 million in cost of doing business.

Cost Saving Measures & Reversals of One Time Budget Items:			
Line	Description	FTE	Total
1	Additional Turnover - related to large number of retirements/separations summer 2014		(\$688,144)
2	Phase In - Anticipated energy savings in fiscal 2016 resulting from performance contract leases		(200,000)
3	Reversal one time purchase of Transportation Routing Software		(180,000)
4	Lease agreement for the transportation lot on Route 40 was renegotiated at a lower rate		(4,000)
5	Remove position (and related revenue) for employee on loan to MSDE	(1.0)	(62,957)
6	Interscholastic athletic supplies (budget neutral/gate receipts reduced by \$10,992)		(10,992)
7	Adjust summer high school expenditures to actual spending level summer 2014. For summer of 2015 summer tuition/revenue covered approx. 50% of the program cost. (Tuition revenue will be reduced by \$97,500 based on actual results).		(60,860)
8	Remove automatic electronic defibrillators		(133,785)
9	Reduce College Readiness expenditures based on historical spending		(27,000)
10	Eliminate 14.0 Inclusion Helpers to fund Autism expansion in CDB	(14.0)	(401,926)
11	Eliminate 5.0 Special Education Teachers to fund Autism expansion in CDB	(5.0)	(314,780)
12	Reduce Inclusion Helpers substitutes to fund Autism expansion in CDB		(50,000)
13	Remove 10% of MOI school allocation to fund Autism expansion in CDB		(15,000)
14	Remove \$20k software support for Performance Matters		(20,000)
15	Require Food Service to absorb health/dental benefits for their retirees		(332,452)
16	Utilize increase in Medical Assistance Billing Funds for Non-Public Placements		(400,000)
17	Reduce electricity account due to efficiencies		(250,000)
18	Reduce social security charges due to projected favorable variance in FY15		(250,000)
19	Reduce salary accounts related to substitutes based on projected variances for FY15		(200,000)
20	Contracted bus savings related to one year extension of the bus useful life to 15 yrs (Year 1 buses* : \$2,456 x 31 = \$76,136) (Year 2 buses: \$2,720 x36 = \$97,920)		(174,056)
21	Projected favorable variance in FY15 Transportation Budget due to efficiencies in service and route mapping		(300,000)
22	Increase indirect cost rate (operating costs charged to grants)		(45,000)
23	Reduce miscellaneous supplies in Communications Office		(12,150)
24	Reduce postage		(10,000)
25	Eliminate employee flu vaccine program		(59,000)
26	Uniform schedule for Athletic Directors with 1 free period a day		(31,479)
27	Reduce recruitment expenses		(10,000)
28	Cutting the Making Progress Program (elim. 3 long term subs)		(48,000)
29	Eliminate 3 PT Paraeducators		(37,134)
30	Eliminate Harford Glen evening program		(278,000)
31	Restructure AVID Program		(129,676)
32	Professional Development (\$50k subs & \$50k PD days)		(100,000)
33	Advanced Placement - restructure program (supplies, conferences, training)		(86,920)
34	Transportation Savings - Eliminate delayed openings for HSA testing (from 4 to 0 days)		(75,000)
35	PSAT (HCPS will no longer pay for test)		(68,630)
36	PSAT (students will pay fee; 2800 students at \$15 per student)		42,000
37	Cogat (Gifted & Talented) Assessment		(40,500)
38	New teacher orientation days reduced from 2.5 days to 2.0		(15,000)
39	Reduce professional development consulting services		(10,000)
40	Reduce miscellaneous Board of Education accounts		(3,750)
41	Reduce custodial positions	(10.0)	(408,760)
42	Reduce teacher/paraeducator positions	(41.0)	(2,392,366)
Total - Cost Saving Measures & Reversals of One Time Budget Items		(71.0)	(\$7,895,317)

Expenditures

Cost of Doing Business - Cost of Doing Business adjustments for fiscal year 2016 total \$3.0 million as detailed in the chart below:

Cost of Doing Business for FY 2016			
Line	Description - Cost of Doing Business	FTE	Total
Instructional - Education Services:			
1	Convert 2.0 ESOL techs to 1.0 teaching position to align with program requirements	-1.0	-
Total - Instructional/Education Services		-1.0	-
Instructional - Special Education:			
2	Non-Public Placements - In fiscal year 2015 restricted (one time) Medical Assistance funding was utilized to pay these ongoing costs		700,000
3	Elementary Autism Program Expansion & Enhancement - 2.0 Special Education Teachers, 12.0 Para-professionals, 1.0 Psychologist <ul style="list-style-type: none"> • Facilitates the meeting of the standards set forth in IDEA and COMAR • Fosters implementation of specially-designed instructional methodology • Enables students to be educated in closer proximity to their neighborhood school • Ensures the students have increased access to opportunities to build communication competencies • Promotes building family partnerships 	15.0	593,952
4	Secondary Autism Program Expansion & Enhancement - 1.0 Special Education Teachers, 7.0 Para-professionals (see rationale/support above)	8.0	295,395
5	Elimination of Type II Non-Public Partnership at Edgewood Middle by creating a Classroom Support Program at Edgewood Middle which will be staffed and supervised by HCPS employees		(269,914)
	Special Education Classroom Support Program at Edgewood Middle - 1.0 Teacher, 2.0 Social Workers, 1.0 Para-educator, Materials of Instruction and Professional Development. Cost of the program is offset by the elimination of the Type II Partnership Program at Edgewood Middle School	4.0	223,236
Total - Instructional/Special Education		27.0	1,542,669
Operations:			
6	Transportation - Increase PVA for 15 Contracted buses as a replacement contingency		114,000
7	Software Maintenance - Annual maintenance for Transportation Routing Software		14,400
8	Hardware Maintenance - Annual maintenance increase Lexmark scanners (\$11,000), network electronics (\$70,000) & wireless component (\$33,000) for wireless network project		114,000
9	Instructional Software - Annual maintenance increase for Naviance (\$3,000), contract increase for all Microsoft Products (\$52,200) and to centralize the purchase of school library software in the Office of Technology and reduce the burden at the school level to fund Discovery Education (\$43,460)		98,660
10	Johnson Controls Energy Performance Leases - Although gas and electric rates are projected to increase for fiscal year 2016, HCPS is not requesting additional funding for any utility accounts for 2016 (With the expiration of lease I in fiscal year 2018 and lease II in 2019, annual payments will drop \$182,209 in 2018 and \$659,791 in 2019)		818,180
11	2015 Ener-Noc Energy Management contract (budget neutral increase in revenue & expense)		79,200
Total - Operations		0.0	1,238,440
Administration:			
12	Debt Service on HCPS A.A. Roberty Building		125,020
13	Property Insurance		80,000
14	Liability Insurance		(10,000)
15	Workers Compensation		35,000
16	Software (\$14,100) - Increase needed to switch to a new web-based school activity funds software Consulting Services (\$10,000) - training required to implement web-based school activity funds software		24,100
Total - Administration		0.0	254,120
Total - Cost of Doing Business Adjustments		26.0	\$3,035,229

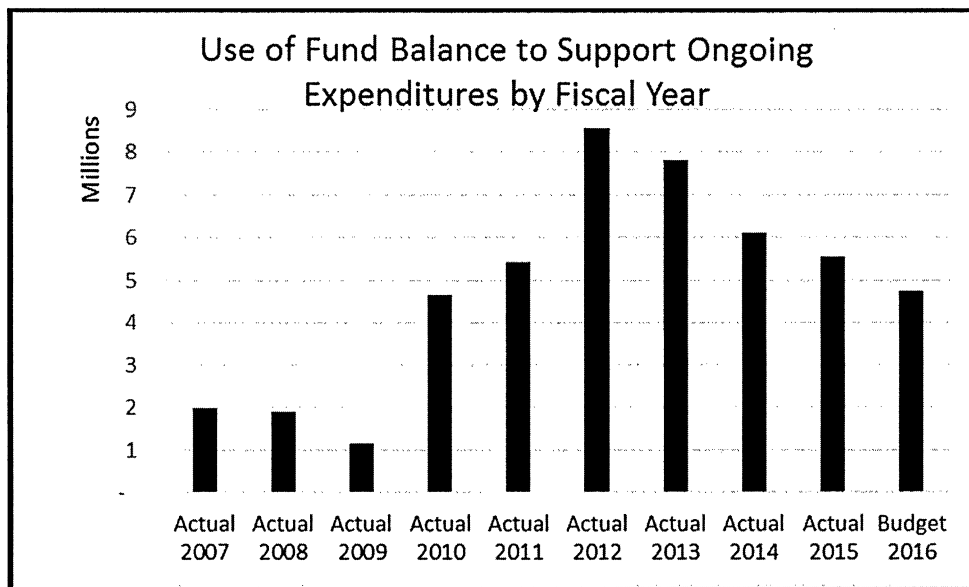
Expenditures

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 six years. Even with the many cost saving measures implemented in the past five years, including the elimination of 296.8 positions, HCPS has been forced to use \$4.75 million of fund balance to support ongoing operations in fiscal year 2016.

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, 2015, the HCPS unassigned fund balance totaled \$6,999,944. We are optimistic that improved economic conditions will allow for additional support from Harford County Government and eliminate the use of fund balance to support ongoing operations by fiscal year 2018.



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

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

Summary of Fiscal 2016 Unrestricted Operating Changes

The following table "Summary of Fiscal Year 2016 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.

HARFORD COUNTY PUBLIC SCHOOLS
Summary of Fiscal 2016 Unrestricted Operating Budget Changes

Fiscal 2015 Adjusted Unrestricted Operating Budget					\$ 429,407,854
Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business	Fiscal 2016 Budget
Board of Education					
Board Services					
Salary and Wage Adjustments	2,034				2,034
Reduction in office supplies			(500)		(500)
Reduction in books/periodicals			(250)		(250)
Reduction in other miscellaneous expenses			(3,000)		(3,000)
Board Services	2,034	-	(3,750)	-	(1,716)
Internal Audit Services					
Salary and Wage Adjustments	3,829				3,829
Web based school activity fund software and training				24,100	24,100
Internal Audit Services	3,829	-	-	24,100	27,929
Legal Services					
Salary and Wage Adjustments	4,503				4,503
Legal Services	4,503	-	-	-	4,503
Total Board of Education	\$10,366	\$0	(\$3,750)	\$24,100	\$30,716
Business Services					
Fiscal Services					
Salary and Wage Adjustments	39,213				39,213
Liability insurance reduction				(10,000)	(10,000)
Increase indirect cost rate			(45,000)		(45,000)
Teacher pension incremental increase	1,342,581				1,342,581
Retirement changes due to position adjustments			(131,596)	38,611	(92,985)
FICA adjustments	610,505		(428,501)	52,370	234,374
FICA reduction related to salary turnover savings	(209,832)				(209,832)
Workers Compensation adjustments	56,661		(16,554)	39,860	79,967
Workers Compensation reduction related to salary turnover savings	(18,103)				(18,103)
Debt service interest adjust. on A.A. Roberty Bldg				(12,140)	(12,140)
Debt service principal adjust. on A.A. Roberty Bldg				137,160	137,160
Fiscal Services	1,821,025	-	(621,651)	245,861	1,445,235
Purchasing					
Salary and Wage Adjustments	34,476				34,476
Turnover savings	(2,060)				(2,060)
Reduce other contracted services		(150)			(150)
Increase contracted equipment repairs		700			700
Reduce copier/machine rentals		(1,908)			(1,908)
Reduce other supplies		(300)			(300)
Reduce office supplies		(2,582)			(2,582)
Increase printing supplies		150			150
Reduce postage/courier service		(10)			(10)
Increase professional dues		200			200
Increase institutes, conferences & meetings		300			300
Increase other equipment		3,600			3,600
Purchasing	32,416	-	-	-	32,416
Total Business Services	\$1,853,441	\$0	(\$621,651)	\$245,861	\$1,477,651
Curriculum & Instruction					
Curriculum Development					
Salary and Wage Adjustments	128,676				128,676
Turnover savings	(32,026)				(32,026)
Reduction in professional development			(50,000)		(50,000)
Reduction in professional development related to AVID			(1,920)		(1,920)
Reduction in professional development substitutes			(50,000)		(50,000)
Curriculum Development	96,650	-	(101,920)	-	(5,270)
Office of Accountability					
Salary and Wage Adjustments	17,327				17,327
Turnover savings	(12,703)				(12,703)
Remove costs associated with G&T assessments & related cost of materials			(40,500)		(40,500)
Remove costs associated with PSAT testing			(26,630)		(26,630)
Office of Accountability	4,624	-	(67,130)	-	(62,506)

HARFORD COUNTY PUBLIC SCHOOLS
Summary of Fiscal 2016 Unrestricted Operating Budget Changes

Fiscal 2015 Adjusted Unrestricted Operating Budget **\$ 429,407,854**

Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business	Fiscal 2016 Budget
<u>Professional Development</u>					
Salary and Wage Adjustments	41,270				41,270
Reduce consultant expense			(10,000)		(10,000)
Reduce new teacher orientation days			(15,000)		(15,000)
Professional Development	41,270	-	(25,000)	-	16,270
Total Curriculum and Instruction					
	\$ 142,544	\$0	(\$194,050)	\$0	(\$51,506)
<u>Education Services</u>					
<u>Career & Technology</u>					
Salary and Wage Adjustments	232,079				232,079
Reduce substitute expense			(30,000)		(30,000)
Transfer commencement expense to regular programs		(3,029)			(3,029)
Career & Technology	232,079	(3,029)	(30,000)	-	199,050
<u>Gifted & Talented</u>					
Salary and Wage Adjustments	31,524				31,524
Reduce Advanced Placement Other Salaries			(42,270)		(42,270)
Reduce Advanced Placement Other Supplies			(27,000)		(27,000)
Reduce Advanced Placement Institutes/Conferences/Meetings			(17,650)		(17,650)
Gifted & Talented	31,524	-	(86,920)	-	(55,396)
<u>Intervention Services</u>					
Salary and Wage Adjustments	43,202				43,202
Reduce AVID program salaries			(96,000)		(96,000)
Reduce AVID membership fees			(14,000)		(14,000)
Reduce AVID conferences/meetings			(11,256)		(11,256)
Intervention Services	43,202	-	(121,256)	-	(78,054)
<u>Magnet Programs</u>					
Salary and Wage Adjustments	25,947				25,947
Magnet Programs	25,947	-	-	-	25,947
<u>Office of Elementary, Middle & High School Performance</u>					
Salary and Wage Adjustments	25,551				25,551
Total Office of Elem, Mid & High School	25,551	-	-	-	25,551
<u>Other Special Programs</u>					
Salary and Wage Adjustments	98,250				98,250
Reduce Home & Hospital expenses			(20,000)		(20,000)
Reduce College & Career Readiness expenses			(27,000)		(27,000)
Other Special Programs	98,250	-	(47,000)	-	51,250
<u>Regular Programs</u>					
Salary and Wage Adjustments	5,669,963		(703,450)		4,966,513
Turnover savings	(1,828,024)				(1,828,024)
Eliminate secretarial position		(20,858)			(20,858)
Add In-School Suspension Technician		20,858			20,858
Commencement expense transferred from Career & Tech		3,029			3,029
Savings from implementing a uniform schedule for Athletic Directors			(31,479)		(31,479)
Reduction of 33.0 teaching positions			(1,466,190)		(1,466,190)
Eliminate the overnight program at Harford Glen			(228,992)		(228,992)
Reduce regular program substitutes			(100,000)		(100,000)
Regular Program Paraeducator reduction			(147,112)		(147,112)
Reversal of year end transfer to materials of instruction				(50,000)	(50,000)
Reversal of year end transfer to instructional equipment				(325,000)	(325,000)
Reversal of year end transfer from other equipment				75,000	75,000
Reversal of year end transfer from other instructional costs				35,500	35,500
Reversal of year end transfer to textbooks and supplies				(35,500)	(35,500)
Transfer funding from textbooks to instructional equipment		(330,000)			(330,000)

HARFORD COUNTY PUBLIC SCHOOLS
Summary of Fiscal 2016 Unrestricted Operating Budget Changes

Fiscal 2015 Adjusted Unrestricted Operating Budget						\$ 429,407,854
Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business	Fiscal 2016 Budget	
Transfer funding to instructional equipment from textbooks		330,000				330,000
Remove 1.0 FTE position on loan to MSDE along with associated revenue.			(44,430)			(44,430)
Regular Programs	3,841,939	3,029	(2,721,653)	(300,000)		823,315
School Library Media Programs						
Salary and Wage Adjustments	229,170					229,170
Reduce Media Technician substitutes			(10,000)			(10,000)
Transfer professional library supplies to materials of instruction software in the Office of Technology		(12,000)				(12,000)
Transfer library media supplies to materials of instruction software in the Office of Technology		(279,335)				(279,335)
School Library Media Programs	229,170	(291,335)	(10,000)	-		(72,165)
Summer School						
Salary and Wage Adjustments	10,705					10,705
Adjust summer high school to actual spending level			(60,860)			(60,860)
Summer School	10,705	-	(60,860)	-		(50,155)
Total Education Services	\$4,538,367	(\$291,335)	(\$3,077,689)	(\$300,000)		\$869,343
Executive Administration						
Communications						
Salary and Wage Adjustments	10,884		(1,956)			8,928
Turnover savings	(4,132)					(4,132)
Increase Bids/Notices/Advertising expense		2,268				2,268
Reduce Printing expense		(8,618)				(8,618)
Increase Audiovisual expense		6,350				6,350
Reduce central office postage expense			(10,000)			(10,000)
Reduce miscellaneous supply accounts expense			(12,150)			(12,150)
Communications	6,752	-	(24,106)	-		(17,354)
Equity & Cultural Proficiency						
Salary and Wage Adjustments	7,521					7,521
Reduce Making Progress program and substitute paraeducators			(85,134)			(85,134)
Community Engagement Office	7,521	-	(85,134)	-		(77,613)
Executive Administration Office						
Salary and Wage Adjustments	33,669		(7,355)			26,314
Reduce mileage, parking & tolls		(1,500)				(1,500)
Increase professional dues		1,500				1,500
Executive Administration Office	33,669	-	(7,355)	-		26,314
Total Executive Administration	\$47,942	\$0	(\$116,595)	\$0		(\$68,653)
Extra-Curricular Activities						
Interscholastic Athletics						
Salary and Wage Adjustments	26,071					26,071
Reduce interscholastic athletic supplies based on gate receipts			(10,992)			(10,992)
Interscholastic Athletics	26,071	-	(10,992)	-		15,079
Student Activities						
Salary and Wage Adjustments	22,139					22,139
Student Activities	22,139	-	-	-		22,139
Total Extra-Curricular	\$48,210	\$0	(\$10,992)	\$0		\$37,218
Human Resources						
Salary and Wage Adjustments	99,267					99,267
Reduce recruitment expense			(10,000)			(10,000)
Health Insurance increase due to 150 new retiree supplemental policies	832,150					832,150
Health Insurance 2.25% rate increase	1,616,330					1,616,330
Health insurance increase associated with new employees			(11,538)	311,526		299,988
Health insurance reductions associated with position reductions and cost saving measures			(1,172,638)			(1,172,638)
Health insurance savings transferred to salaries	(1,271,010)					(1,271,010)
Reduction in health insurance due to projected year end savings in expense	(550,000)					(550,000)
Reversal of year end transfer to health insurance				625,000		625,000

HARFORD COUNTY PUBLIC SCHOOLS
Summary of Fiscal 2016 Unrestricted Operating Budget Changes

Fiscal 2015 Adjusted Unrestricted Operating Budget					\$ 429,407,854
Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business	Fiscal 2016 Budget
Reversal of one time funding for premium holiday for health insurance				(929,320)	(929,320)
Dental insurance reductions associated with position reductions and cost saving measures			(61,708)		(61,708)
Dental insurance increase associated with new employees			(658)	17,766	17,108
Reversal of one time funding for premium holiday for dental insurance				(41,932)	(41,932)
Life insurance adjustments	17,019		(6,770)	1,711	11,960
Life insurance savings related to salary turnover savings	(7,132)				(7,132)
OPEB Reversal				(1,465,314)	(1,465,314)
Total Human Resources	\$736,624	\$0	(\$1,263,312)	(\$1,480,563)	(\$2,007,251)
Operations & Maintenance					
Facilities Management					
Salary and Wage Adjustments	585,995		(13,620)		572,375
Turnover savings	(155,291)				(155,291)
Reduction of 10.0 FTE custodial positions			(251,040)		(251,040)
Reversal of year end transfer to grounds equipment				(110,000)	(110,000)
Reduction in renegotiated lease for the Route 40 transportation lot			(4,000)		(4,000)
Projected 5% increase in property insurance				80,000	80,000
Facilities Management	430,704	-	(268,660)	(30,000)	132,044
Planning and Construction					
Salary and Wage Adjustments	17,614				17,614
Turnover savings	(997)				(997)
Planning and Construction	16,617	-	-	-	16,617
Transportation					
Salary and Wage Adjustments	230,508				230,508
Turnover savings	(6,073)				(6,073)
Increase PVA for 15 contracted buses as a replacement contingency				114,000	114,000
Reduction in contracted bus service due to one year extension of the bus useful life			(174,056)		(174,056)
Reduction in contracted bus service due to a favorable year end variance from efficiencies in service and route mapping			(300,000)		(300,000)
Transportation savings due to elimination of delayed openings for HSA testing			(75,000)		(75,000)
Reversal of one time purchase of routing software			(180,000)		(180,000)
Reversal of year end transfer for bus contracts				100,000	100,000
Reversal of year end transfer to fuel oil				85,000	85,000
Reversal of year end transfer for software				90,000	90,000
Reversal of year end transfer for consultants				(25,000)	(25,000)
Reversal of year end transfer for repair/maintenance of vehicles				(175,000)	(175,000)
Reversal of year end transfer for repair/maintenance supplies				25,000	25,000
Reduction in transportation for AVID program			(6,500)		(6,500)
Reduce contracted equipment repairs		(2,000)			(2,000)
Reduce copier/machine rentals		(1,000)			(1,000)
Reduce repairs/maintenance supplies		(1,000)			(1,000)
Increase mileage, parking & tolls		3,000			3,000
Increase contracted medical services		6,000			6,000
Increase contracted repairs/maintenance on special education vehicles		25,000			25,000
Reduce contracted field trip transportation		(20,000)			(20,000)
Reduce other contracted transportation		(10,000)			(10,000)
Transportation	224,435	-	(735,556)	214,000	(297,121)

HARFORD COUNTY PUBLIC SCHOOLS
Summary of Fiscal 2016 Unrestricted Operating Budget Changes

Fiscal 2015 Adjusted Unrestricted Operating Budget **\$ 429,407,854**

Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business	Fiscal 2016 Budget
Utility Resource Management					
Salary and Wage Adjustments	2,335				2,335
2015 Energy management contract				79,200	79,200
Reversal of year end transfer for oil				210,000	210,000
Anticipated energy savings resulting from performance contract leases			(200,000)		(200,000)
Electricity savings based as actual usage			(250,000)		(250,000)
Johnson Controls annual maintenance contract increase				818,180	818,180
Utility Resource Management	2,335	-	(450,000)	1,107,380	659,715
Total Operations & Maintenance	\$674,091	\$0	(\$1,454,216)	\$1,291,380	\$511,255
Safety and Security					
Salary and Wage Adjustments	7,262				7,262
Eliminate evening security service for Harford Glen due to elimination of overnight program			(9,500)		(9,500)
Reversal of year end transfer from contracted security services				15,000	15,000
Reversal of year end transfer to other equipment				(15,000)	(15,000)
Reduce maintenance/technical overtime		(12,000)			(12,000)
Reduce fines/violations		(1,000)			(1,000)
Increase books/periodicals		100			100
Increase mileage, parking & tolls		50			50
Increase security equipment		10,249			10,249
Increase computer equipment		2,601			2,601
Transfer software maintenance to the Office of Technology		(29,000)			(29,000)
Transfer software maintenance to other contracted services		(29,000)			(29,000)
Other contracted services transferred from software		29,000			29,000
Total Safety and Security	\$7,262	(\$29,000)	(\$9,500)	\$0	(\$31,238)
Special Education					
Salary and Wage Adjustments	1,264,312				1,264,312
Turnover savings	(672,134)				(672,134)
Reduce materials of instruction			(15,000)		(15,000)
Reduce 5.0 teaching positions			(222,150)		(222,150)
Reduce 14.0 inclusion helper positions			(202,356)		(202,356)
Reduce inclusion helper substitutes			(50,000)		(50,000)
Elementary Autism program additions to include 2.0 additional Special Education Teachers and 12.0 Paraeducators				309,528	309,528
Secondary Autism program additions to include 1.0 additional Special Education Teachers and 7.0 Paraeducators				173,153	173,153
Additional 1.0 Teacher and Paraeducator for the classroom support program at Edgewood Middle				62,819	62,819
Professional development funds and materials of instruction for classroom support program at EMS				1,159	1,159
Reversal of year end transfer to non public				(500,000)	(500,000)
Savings associated with elimination of the Type II Nonpublic Partnership program at Edgewood Middle				(269,914)	(269,914)
Nonpublic Placement projected increase in operating expenses attributable to the reduction in restricted revenue used in FY15 for nonpublic expenses			(400,000)	700,000	300,000
Total Special Education	\$592,178	\$0	(\$889,506)	\$476,745	\$179,417

HARFORD COUNTY PUBLIC SCHOOLS
Summary of Fiscal 2016 Unrestricted Operating Budget Changes

Fiscal 2015 Adjusted Unrestricted Operating Budget					\$ 429,407,854
Program	Wages & Benefits	Base Budget Adjustments	Cost Saving Measures	Cost of Doing Business	Fiscal 2016 Budget
<u>Student Services</u>					
<u>Health Services</u>					
Salary and Wage Adjustments	124,946		(45,671)		79,275
Turnover savings	(39,128)				(39,128)
Eliminate employee flu vaccine program			(59,000)		(59,000)
Remove expense related to the automatic electronic defibrillators from FY15			(133,785)		(133,785)
Reduce nursing services expense for Harford Glen due to the elimination of the evening program			(39,508)		(39,508)
Reduce substitute expense			(25,000)		(25,000)
Total Health Services	85,818	-	(302,964)	-	(217,146)
<u>Psychological Services</u>					
Salary and Wage Adjustments	87,229				87,229
Transfer license fee costs to OTIS		(35,500)			(35,500)
Additional Psychologist for elementary autism program				50,220	50,220
Total Psychological Services	87,229	(35,500)	-	50,220	101,949
<u>Pupil Personnel Services</u>					
Salary and Wage Adjustments	42,259		(571)		41,688
Reduction to other salaries based on actual experience			(5,000)		(5,000)
Reversal of year end transfer				(25,000)	(25,000)
Total Pupil Personnel Services	42,259	-	(5,571)	(25,000)	11,688
<u>School Counseling</u>					
Salary and Wage Adjustments	228,701				228,701
Turnover savings	(13,078)				(13,078)
Reduce clerical substitutes			(10,000)		(10,000)
Transfer other supplies to microfilming/imaging		(2,600)			(2,600)
Transfer from other supplies to microfilming/imaging		2,600			2,600
2.0 FTE Social Worker positions for classroom support program at Edgewood Middle School				88,860	88,860
Total School Counseling	215,623	-	(10,000)	88,860	294,483
Total Student Services	\$430,929	(\$35,500)	(\$318,535)	\$114,080	\$190,974
<u>Office of Technology & Information</u>					
Salary and Wage Adjustments	110,472				110,472
Turnover savings	(6,097)				(6,097)
Increase in software maintenance for all Microsoft products and Naviance software utilized by the guidance department				55,200	55,200
Centralize the purchase of school library software to reduce burden of funding at the school level				43,460	43,460
Annual hardware maintenance for Lexmar scanners, network electronics, and wireless components for wireless network project				114,000	114,000
Software maintenance for transportation routing software				14,400	14,400
Transfer license fee costs from Psychological Svcs		35,500			35,500
Remove software expense related to Performance Matters			(20,000)		(20,000)
Materials of instruction-software transferred from library services and from the WAN account		541,335			541,335
Transfer WAN funds to materials of instruction-software		(250,000)			(250,000)
Transfer software maintenance from security services		29,000			29,000
Total Office of Technology & Information	\$104,375	\$355,835	(\$20,000)	\$227,060	\$667,270
Change	\$9,186,329	\$0	(\$7,979,796)	\$598,663	\$1,805,196
Fiscal 2016 Unrestricted Operating Budget					\$431,213,050