

August 5, 2016

DEPUTY SUPERINTENDENT

Operating Budget Expenditure Restrictions

TO: All Staff

FROM: Linda T. Wise
 Deputy Superintendent

Effective immediately, the Howard County Public School System is implementing restrictions on all spending and staffing for FY 2017. Each office and school is expected to make only those necessary expenditures classified as Allowable Expenditures in the table below. All other expenditures are frozen. This circular details a freeze exception process that must be followed to request the release of funds that are frozen. Our first priority is to protect the integrity and safety of the classroom.

The FY 2017 Approved Operating Budget was cut significantly from the Board’s requested budget and includes a reduction of \$39.4 million in Fixed Charges and \$3.5 million in Maintenance as well as other programs. The Fixed Charges budget provides HCPSS funding for employee medical benefits, social security and state retirement contributions. These costs are fixed and must be paid by the Board. To protect the classroom and ensure funding is available to meet these requirements, we will need to maximize expenditure savings across all programs.

Directions for the freeze process are attached.

- Attachment A for school-based staff
- Attachment B for non-school-based staff

The freeze includes the suspension of all spending of operating budget funds as indicated in the chart below.

Category	Allowable Expenditures
<p>1. Positions</p> <p>All professional and support staff vacancies are frozen.</p>	<ul style="list-style-type: none"> ● All school-based teachers, special educators and administrators ● Principal and teacher secretaries ● Data clerks, registrars, guidance secretaries, and bookkeepers ● Pre-K Paraeducators ● Security staff ● Special education paraeducators ● Interpreters ● School nurses ● Staffing for County-wide special education services ● Food Service Fund Positions

<p>2. Other Salaries – Temporary Employment</p> <p>All temporary employment is frozen. Hours for the temporary employee cannot be increased beyond the current allocation.</p>	<ul style="list-style-type: none"> • Substitute teachers • Substitutes provided for approved professional learning • Special education staffing • Per diem psychologists • Interpreters • Home and Hospital instructors • Clerical/guidance allocations to elementary and secondary schools • Recess monitors • Security • Athletic activities staffing • Food Service Fund staffing • School nurses and health assistants
<p>3. Other Salaries – Workshop Wages</p> <p>All workshop wages are frozen.</p>	<ul style="list-style-type: none"> • None
<p>4. Other Salaries – Overtime</p> <p>Overtime is frozen.</p>	<ul style="list-style-type: none"> • Emergency overtime must be preapproved according to existing procedures
<p>5. Contractual Services – New</p> <p>No new contractual commitments may be made.</p>	<ul style="list-style-type: none"> • Emergency repairs • Waste disposal • Speech, language, and interpretation services • Office of Student Transportation contracts
<p>6. Contractual Services – Existing</p> <p>Offices may accept delivery of previously ordered contractual services. Each office must review contractual service encumbrances to see if they can be canceled.</p>	<ul style="list-style-type: none"> • Extension of existing maintenance agreements for equipment or computers • Extension of existing contracts to continue instructional service delivery to students • Extension of existing Office of Student Transportation contracts
<p>7. Contractual Services – Consultants</p> <p>All unpaid commitments for consultant services must go through the freeze exception request process.</p>	<ul style="list-style-type: none"> • None

<p>8. Supplies and Materials – School-based</p> <p>No purchasing of food, beverages, and student/staff incentives.</p>	<ul style="list-style-type: none"> • School spending for <ul style="list-style-type: none"> ○ instructional materials for students ○ media materials ○ food purchases that are part of the curriculum ○ instrument repair
<p>9. Supplies and Materials – Non-school-based</p> <p>Non-essential supplies, materials, food and beverages are frozen.</p>	<ul style="list-style-type: none"> • Necessary custodial and building services supplies • Materials and supplies for maintenance work • Vehicle maintenance • Printing • Supplies and materials to permit employees to continue essential duties
<p>10. Other – Local Travel</p>	<ul style="list-style-type: none"> • Staff will be reimbursed for essential local travel including parking and tolls
<p>11. Other – Conferences and Travel</p> <p>Travel and conference commitments are frozen.</p> <p>Travel arrangements made prior to this notification should be canceled, if possible.</p>	<ul style="list-style-type: none"> • Conferences and travel approved in accordance with negotiated agreement conference funding provided as part of the negotiated agreements, Article XII, Article 12.2 and Article 13, may continue in accordance with the established approval processes
<p>12. Other – Dues, Registrations, and Subscriptions</p> <p>Expenditures for dues, registrations and subscriptions are frozen.</p>	<ul style="list-style-type: none"> • Dues and registrations for conferences approved in accordance with negotiated agreement conference funding provided as part of the negotiated agreements, Article XII, Article 12.2 and Article 13, may continue in accordance with the established approval processes
<p>13. Furniture and Equipment</p> <p>All furniture and equipment purchases are frozen.</p>	<ul style="list-style-type: none"> • None
<p>14. New Lease or Master Lease</p> <p>All new lease or master lease commitments must go through the freeze exception request process.</p>	<ul style="list-style-type: none"> • Payments of existing lease or master lease obligations

Action:

- Submit Freeze Exception Requests using the attached forms.
 - FY 2017 Freeze Exception Request – School-Based Request Form – Attachment C
 - FY 2017 Freeze Exception Request – Non-School-Based Request Form – Attachment D
- Authorize and execute expenditures only after Freeze Exception Requests are approved.

Note:

- Do not make purchases with personal funds as these will not be reimbursed by HCPSS.
- Grants should be spent in accordance with the specific grant terms. Grant managers should scrutinize their grant budget to maximize the use of the funds.
- School Activity Funds are exempt from these restrictions. Schools will follow Policy 4030: School Activity Funds in use of these funds.

Questions:

- Please direct question to Bev Davis at 410-313-1530 or via email at Beverly_Davis@hcpss.org.

School-based Freeze Exception Request Process

All school-based Freeze Exception Requests will adhere to the following process:

1. Only Principals and Administrative Directors may initiate the process.
2. School Freeze Exception Requests must be submitted to Administrative Directors.
3. A separate School Freeze Exception Request Form must be submitted for each request.
4. Additional supporting information may be attached.
5. All school Freeze Exception Requests will be reviewed by the Executive Directors and Deputy Superintendent.
6. All school Freeze Exception Requests approved by the Executive Directors and Deputy Superintendent will be submitted to the HCPSS Spending Freeze Committee. Weekly meetings will be held to review Freeze Exception Requests.
7. All approved Freeze Exception Requests must be made using a purchase order or purchasing card. All purchasing card purchases may only be made with HCPSS approved online vendors.

Please direct questions to Bev Davis at 410-313-1530 or via email at Beverly_Davis@hcpss.org.

Non-school-based Freeze Exception Request Process

All non-school-based Freeze Exception Requests will adhere to the following process:

1. Only Budget Managers, Directors, and Executive Directors may initiate the process.
2. A separate Non-School-Based Freeze Exception Request Form must be submitted for each request.
3. Additional supporting information may be attached.
4. All Non-School-Based Freeze Exception Requests will be reviewed by the appropriate Director or Executive Directors and Chief or Deputy Superintendent.
5. All Non-School-Based Freeze Exception Requests approved by the appropriate Director or Executive Directors and Chief or Deputy Superintendent will be submitted to the HCPSS Spending Freeze Committee. Weekly meetings will be held to review Freeze Exception Requests.
6. All approved Freeze Exception Requests must be made using a purchase order or purchasing card. All purchasing card purchases may only be made with HCPSS approved online vendors.

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