



**Committee:** E&C  
**Committee Review:** Completed  
**Staff:** Doug Prouty, Senior Legislative Analyst  
 Kristin Cummings, Legislative Analyst  
**Purpose:** To make preliminary decisions – straw vote expected

AGENDA ITEM #0  
 May 5, 2026  
**Discussion**

**SUBJECT**

Montgomery County Public Schools (MCPS) FY27 Operating Budget

**EXPECTED ATTENDEES**

Dr. Thomas Taylor, Superintendent of Schools  
 Grace Rivera-Owen, President, Board of Education  
 Essie McGuire, Chief of Staff  
 Ivon Alfonso-Windsor, Chief Financial Officer

**FY27 COUNTY EXECUTIVE RECOMMENDATION**

**Table 1: MCPS Operating Budget by Revenue Source (FY25-FY27 Request/Recommendation)**

Source	FY25 Approved		FY26 Approved		FY27 BOE Request		FY27 CEX Request	
	\$	%	\$	%	\$	%	\$	%
County	\$2,128,642,338	63.9%	\$2,338,642,338	65.0%	\$2,518,238,360	66.5%	\$2,518,238,360	66.5%
State	\$971,613,288	29.2%	\$1,035,333,822	28.8%	\$1,051,328,534	29.6%	\$1,051,328,534	27.8%
Federal	\$122,833,603	3.7%	\$107,326,170	3.0%	\$98,699,188	2.8%	\$98,699,188	2.6%
Other Sources	\$18,176,826	0.5%	\$22,024,826	0.6%	\$22,593,040	0.6%	\$22,593,040	0.6%
Enterprise Funds	\$89,459,271	2.7%	\$90,846,472	2.5%	\$93,097,859	2.6%	\$93,097,859	2.5%
Special Funds	\$1,581,200	0.0%	\$1,378,278	0.0%	\$1,378,278	0.0%	\$1,378,278	0.0%
<b>Grand Total</b>	<b>\$3,332,306,526</b>	<b>100.0%</b>	<b>\$3,595,551,906</b>	<b>100.0%</b>	<b>\$3,785,335,259</b>	<b>100.0%</b>	<b>\$3,785,335,259</b>	<b>100%</b>
<b>Tax-Supported Total</b>	<b>\$3,105,889,411</b>	<b>93.2%</b>	<b>\$3,354,638,789</b>	<b>93.3%</b>	<b>\$3,546,897,732</b>	<b>93.7%</b>	<b>\$3,546,897,732</b>	<b>93.7%</b>

**Table 2: Montgomery County Public Schools by Change Summary**

	FY26 Approved	FY27 BOE Request	Change from FY26 Approved	FY27 CEX Rec.	Change from FY26 Approved
Total Appropriation	\$3,655,244,116	\$3,785,335,259	5.2%	\$3,785,335,259	5.2%
County Contribution	\$2,338,642,338	\$2,518,238,360	7.6%	\$2,518,238,360	7.6%
Tax Supported Total	\$3,3254,638,789	\$3,546,897,732	5.7%	\$3,546,897,732	5.7%
Total FTEs	25,387.3	25,489.6	0.4%		

- The MCPS Board of Education’s recommended FY27 Operating Budget [can be found here](#). The Board adopted FY27 *tax-supported budget* (excluding grants and enterprise funds) is \$3,546,897,732. This is an increase of \$192,258,943, or 5.7% compared to the approved FY26 tax-supported budget.
- The County Executive recommends \$3,785,335,259 in funding for MCPS, funding 100% of the Board of Education’s request, which is \$222.4 million more than the required Maintenance of Effort (MOE) level.
- The County Executive recommends increasing the County contribution by \$179.6 million or 5.3% over the FY26 Approved Budget of \$3,595.6 million. This increase assumes a property tax rate increase of 6.3 cents to support the recommended level of spending.
- As in previous years, this budget assumes Montgomery County will continue to fund \$27,200,000 of MCPS retiree health benefit costs from the county’s Consolidated Other Post-Employment Benefits Trust Fund.

## COMMITTEE RECOMMENDATIONS

- In the May 1 meeting, the Committee unanimously agreed to place the full CE recommended local funding increase of \$179.0 million on the reconciliation list. Per the Council President’s budget approach, any increase in local funding for MCPS must be placed on the reconciliation list in tranches of 10%. As a result, the \$179.0 million will show as 10 tranches of \$17.9 million each.
- Further, the Committee recommended (2-1, with Councilmember Evans dissenting) that:
  - \$149 million should be the minimum increased local funding amount that the Council should consider;
  - No more than \$30 million should be considered for potential reduction by the full Council in tranches of \$10 million each; and
  - Chair Jawando and Councilmember Mink’s preference would be for the \$179 million to show on the reconciliation list as one item of \$149 million and three tranches of \$10 million.
- Chair Jawando also requested that MCPS share more details on how the various funding levels would impact operations in FY27.

- The EC Committee recommends accepting the County Executive’s reductions to the Technology Modernization project. The County Executive recommended cutting expenditures in FY27 by half (\$16.925 million).

**Table 1: Technology Modernization**

	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
<b>FY25-30 Amended</b>	<b>168,496</b>	27,248	27,248	28,500	28,500	28,500	28,500		
<b>FY27-32 BOE Proposed</b>	<b>172,500</b>			33,850	30,350	26,280	27,340	27,340	27,340
change from approved	4,004			5,350	1,850	(2,220)	(1,160)		
percent change from approved	2.4%			18.8%	6.5%	-7.8%	-4.1%		
<b>FY27-32 CE Recommended</b>	<b>151,165</b>			16,925	27,248	25,248	27,248	27,248	27,248
change from amended	(17,331)			(11,575)	(1,252)	(3,252)	(1,252)		
percent change from amended	-10%			-40.6%	-4.4%	-11.4%	-4.4%		
change from BOE Proposed	(21,335)			(16,925)	(3,102)	(1,032)	(92)	(92)	(92)
percent change from BOE Proposed	-12.37%			-50.0%	-10.2%	-3.9%	-0.3%	-0.3%	-0.3%

- The EC Committee recommends accepting the County Executive reductions of funds for the Facility Planning project related to a potential Public-Private Partnership (P3) approach for the redevelopment of the MCPS headquarters at the Carver Educational Services Center (CESC) (\$1.25million in FY27 and \$1.25million in FY28).

**Table 2: Facility Planning**

	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
<b>FY25-30 Amended</b>	<b>3,800</b>	1,350	1,050	350	350	350	350		
<b>FY27-32 BOE Proposed</b>	<b>13,000</b>			3,500	3,500	1,500	1,500	1,500	1,500
change from approved	9,200			3,150	3,150	1,150	1,150		
percent change from approved	242.1%			900.0%	900.0%	328.6%	328.6%		
<b>FY27-32 CE Recommended</b>	<b>9,100</b>			2,250	2,250	1,150	1,150	1,150	1,150
change from amended	5,300			1,900	1,900	800	800		
percent change from amended	139%			542.9%	542.9%	228.6%	228.6%		
change from BOE Proposed	(3,900)			(1,250)	(1,250)	(350)	(350)	(350)	(350)
percent change from BOE Proposed	-30.00%			-35.7%	-35.7%	-23.3%	-23.3%	-23.3%	-23.3%

- The EC Committee recommends accepting the County Executive reduction of new expenditures requested in FY27 and FY28 (total of \$10.6 million) for the Materials Management Building Relocation project. MCPS would still have the \$2.5 million previously approved for this project.

**Table 3: Materials Management Building Relocation**

	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
<b>FY25-30 Amended</b>	<b>2,500</b>	35	2,465						
<b>FY27-32 BOE Proposed</b>	<b>13,105</b>	35	2,465	8,400	2,205				
change from approved	10,605			8,400	2,205				
percent change from approved	424.2%			n/a	n/a				
<b>FY27-32 CE Recommended</b>	<b>2,500</b>	-	35	2,465					
change from amended	-	(2,500)							
percent change from amended	0.0%	-100%							
change from BOE Proposed	(10,605)	(10,605)		(8,400)	(2,205)				
percent change from BOE Proposed	-80.9%	-100.00%		-100.0%	-100.0%				

- The EC Committee recommends accepting the Board of Education proposal for the Relocatable Classrooms project, concurring with the County Executive.

**Table 4: Relocatable Classrooms**

	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
<b>FY25-30 Amended</b>	<b>30,000</b>	5,000	5,000	5,000	5,000	5,000	5,000		
<b>FY27-32 BOE Proposed</b>	<b>20,500</b>			4,500	4,000	3,500	3,500	2,500	2,500
change from approved	(9,500)			(500)	(1,000)	(1,500)	(1,500)		
percent change from approved	-31.7%			-10.0%	-20.0%	-30.0%	-30.0%		
<b>FY27-32 CE Recommended</b>	<b>20,500</b>			4,500	4,000	3,500	3,500	2,500	2,500
change from amended	(9,500)			(500)	(1,000)	(1,500)	(1,500)		
percent change from amended	-32%			-10.0%	-20.0%	-30.0%	-30.0%		
change from BOE Proposed	-			-	-	-	-	-	-
percent change from BOE Proposed	0.00%			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## SUMMARY OF KEY ISSUES

- The EC Committee held four worksessions to review the Board of Education’s requested FY26 Operating budget for Montgomery County Public Schools (MCPS).
- The first MCPS Operating Budget review Worksession was on April 13. The Committee received a fiscal overview of the budget request; reviewed revenues and expenditures, including County contribution, fund balance, State Aid, Blueprint & Community Schools; MOE; and positions’ and discussed the Racial Equity and Social Justice Statements prepared for each chapter of the MCPS budget. *Staff report for this Worksession is attached on @1-14. The full packet with attachments can be accessed [here](#).*
- At the second worksession on April 22, the Committee discussed requests in the BOE’s FY26 operating budget regarding the Equity Add-on (Differentiated School Allocation), special education, emerging multilingual learners, Staffing (New Staffing Standards), opening HS & regional program implementation positions, Summer School, and Secondary Literacy Support. *Staff report for this Worksession is attached on @15-26 The full packet with attachments can be accessed [here](#).*
- The third worksession on April 27 was focused on vacancies, lapse, and recruitment; contractual services; compensation and benefits; and updates on safety and security in relation to the BOE’s proposed FY27 operating budget. *Staff report for this Worksession is attached on @27-36. The full packet with attachments can be accessed [here](#).*
- The final Worksession on May 1 included an update on the Tech Mod CIP, an overview of recommended BOE budgetary increases which had not been discussed in prior meetings, and an overview of funding recommendations. *Staff report for this Worksession is attached on @37-45. The full packet with attachments can be accessed [here](#).*

### **This report contains:**

Staff report for EC worksession 4-13-2026  
 Staff report for EC worksession 4-22-2026

© #1-14  
 © #15-26

Staff report for EC worksession 4-27-2026  
Staff report for EC worksession 5-1-2026  
MCPS Budget Summary Table

© #27-36  
© #37-45  
© #46

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**Agenda Item:** #1

**Date:** April 13, 2026

**Staff:** Doug Prouty, Senior Legislative Analyst  
Kristin Cummings, Legislative Analyst

**Subject:** FY27 Operating Budget – Montgomery County Public Schools

**Purpose:** Worksession – Review and Discussion (no vote expected)

**Expected Attendees:**

- Dr. Thomas Taylor, MCPS Superintendent of Schools
- Grace Rivera-Owen, President, Board of Education
- Essie McGuire, Chief of Staff
- Ivon Alfonso-Windsor, Chief Financial Officer

**Executive Summary and Key Issues for Committee Review**

**Overview.** The Education and Culture Committee will review the Board of Education’s requested FY27 Operating Budget for Montgomery County Public Schools (MCPS). Committee Chair Jawando has outlined how committee meetings will review various aspects of the proposed budget, as is shown below.

**EC Committee Review Approach to the MCPS FY27 Operating Budget**

April 13	April 22	April 27	May 1
<ul style="list-style-type: none"> <li>• Overview</li> <li>• Fiscal Summary</li> <li>• Revenues and Expenditures/State Aid</li> <li>• Blueprint &amp; Community Schools</li> <li>• MOE</li> <li>• Fund Balance</li> <li>• RESJ Statements</li> </ul>	<ul style="list-style-type: none"> <li>• Equity Add-On (Differentiated School Allocation)</li> <li>• Special Education</li> <li>• EML</li> <li>• Staffing (New Staffing Standards)</li> <li>• Opening HS &amp; regional program implementation positions#</li> <li>• Summer School</li> <li>• Secondary Literacy Support &amp; Math Support</li> </ul>	<ul style="list-style-type: none"> <li>• Vacancies, Lapse, Recruitment</li> <li>• Contractual Services</li> <li>• Compensation</li> <li>• Benefits</li> <li>• Safety and Security</li> </ul>	<ul style="list-style-type: none"> <li>• Tech Mod</li> <li>• Relocatables</li> <li>• Updates and Follow-Up</li> <li>• Funding Recommendation</li> </ul>

- The Government Operations and Fiscal Policy (GO) Committee reviews compensation and benefit adjustments and recommendations for all agencies. This GO Committee review is scheduled for April 20. The EC Committee’s April 27 review of compensation and benefits will include information related to MCPS and the cross-agency context from the GO Committee’s discussion.

- The MCPS Board of Education’s recommended FY27 Operating Budget [can be found here](#). The Board adopted FY27 tax-supported budget (excluding grants and enterprise funds) is \$3,546,897,732. This is an increase of \$192,258,943, or 5.7% compared to the approved FY26 tax-supported budget. The Board’s requested expenditure changes for FY27 are organized into four areas:
  - Changes to the base or current operating budget;
  - Item identified by MCPS as non-discretionary requirements;
  - Budgetary obligations towards the Blueprint for Maryland’s Future legislation; and
  - Discretionary expenditures that MCPS would like to implement in FY27.

More detail on each of these priority areas can be found in section E of this report.

- As in previous years, this budget assumes Montgomery County will continue to fund \$27,200,000 of MCPS retiree health benefit costs from the county’s Consolidated Other Post-Employment Benefits Trust Fund.
- The County Executive recommends \$3,785,335,259 in funding for MCPS, funding 100% of the Board of Education’s request and is \$222.4 million more than the required Maintenance of Effort (MOE) level.

## A. Summary of FY27 Recommended Budget

**Fiscal Summary.** The County Executive recommends increasing the County contribution by \$179.6 million or 5.3% over the FY26 Approved Budget of \$3,595.6 million. This increase assumes a property tax rate increase of 6.3 cents to support the recommended level of spending.

**Spending Affordability.** In February 2026, the Montgomery County Council approved the FY27 Spending Affordability Guidelines (SAG) of \$3,352.8 million for the tax-supported funds of MCPS. Both the BOE’s request and the County Executive’s recommended budget include \$3,546.9 million in tax-supported funds, exceeding the SAG guideline by \$194.0 million.

**Table 1. MCPS Operating Budget by Revenue Source (FY25-FY27 Request/Recommendation)**

Source	FY25 Approved		FY26 Approved		FY27 BOE Request		FY27 CEX Request	
	\$	%	\$	%	\$	%	\$	%
County	\$2,128,642,338	63.9%	\$2,338,642,338	65.0%	\$2,518,238,360	66.5%	\$2,518,238,360	66.5%
State	\$971,613,288	29.2%	\$1,035,333,822	28.8%	\$1,051,328,534	29.6%	\$1,051,328,534	27.8%
Federal	\$122,833,603	3.7%	\$107,326,170	3.0%	\$98,699,188	2.8%	\$98,699,188	2.6%
Other Sources	\$18,176,826	0.5%	\$22,024,826	0.6%	\$22,593,040	0.6%	\$22,593,040	0.6%
Enterprise Funds	\$89,459,271	2.7%	\$90,846,472	2.5%	\$93,097,859	2.6%	\$93,097,859	2.5%
Special Funds	\$1,581,200	0.0%	\$1,378,278	0.0%	\$1,378,278	0.0%	\$1,378,278	0.0%
<b>Grand Total</b>	<b>\$3,332,306,526</b>	<b>100.0%</b>	<b>\$3,595,551,906</b>	<b>100.0%</b>	<b>\$3,785,335,259</b>	<b>100.0%</b>	<b>\$3,785,335,259</b>	<b>100%</b>
<b>Tax-Supported Total</b>	<b>\$3,105,889,411</b>	<b>93.2%</b>	<b>\$3,354,638,789</b>	<b>93.3%</b>	<b>\$3,546,897,732</b>	<b>93.7%</b>	<b>\$3,546,897,732</b>	<b>93.7%</b>

**Table 2. Summary of County Executive’s FY27 Proposed Budget for MCPS**

<b>Fund</b>	<b>FY26 Approved</b>	<b>FY27 CE Rec.</b>	<b>Change from FY26</b>
<b>Current Fund MCPS</b>	<b>\$3,354,638,789</b>	<b>\$3,546,897,732</b>	<b>5.7 %</b>
Personnel Costs	\$0	\$0	0.0%
Staffing (FTEs)	23,970.81	24,155.92	0.8 %
Operating Costs	\$3,354,638,789	\$3,546,897,732	5.7 %
<b>Grant Fund MCPS</b>	<b>\$148,688,367</b>	<b>\$143,961,390</b>	<b>-3.2 %</b>
Personnel Costs	\$0	\$0	0.0%
Staffing (FTEs)	749.06	665.52	-11.2 %
Operating Costs	\$148,688,367	\$143,961,390	-3.2 %
<b>Food Service Fund</b>	<b>\$73,699,211</b>	<b>\$75,792,864</b>	<b>2.8 %</b>
Personnel Costs	\$0	\$0	0.0%
Staffing (FTEs)	629.45	632.20	0.4 %
Operating Costs	\$73,699,211	\$75,792,864	2.8 %
<b>Real Estate Fund</b>	<b>\$5,039,226</b>	<b>\$5,116,064</b>	<b>1.5 %</b>
Personnel Costs	\$0	\$0	0.0%
Staffing (FTEs)	10.00	10.00	-
Operating Costs	\$5,039,226	\$5,116,064	1.5 %
<b>Field Trip Fund</b>	<b>\$2,972,646</b>	<b>\$2,998,502</b>	<b>0.9 %</b>
Personnel Costs	\$0	\$0	0.0%
Staffing (FTEs)	5.00	5.00	-
Operating Costs	\$2,972,646	\$2,998,502	0.9 %
<b>Entrepreneurial Act. Fund</b>	<b>\$9,135,389</b>	<b>\$9,190,429</b>	<b>0.6 %</b>
Personnel Costs	\$0	\$0	0.0%
Staffing (FTEs)	12.00	12.00	-
Operating Costs	\$9,135,389	\$9,190,429	0.6 %
<b>Instructional TV Fund</b>	<b>\$1,378,278</b>	<b>\$1,378,278</b>	<b>-</b>
Personnel Costs	\$0	\$0	0.0%
Staffing (FTEs)	11.00	9.00	-18.2 %
Operating Costs	\$1,378,278	\$1,378,278	-
<b>Total Expenditures (All Funds)</b>	<b>\$3,595,551,906</b>	<b>\$3,785,335,259</b>	<b>5.3 %</b>
<b>Total Staffing (All Funds)</b>	<b>25,387.32</b>	<b>25,489.64</b>	<b>0.4 %</b>

**Maintenance of Effort.** Maryland law sets a minimum funding level for public education, known as the Maintenance of Effort (MOE) law. The MOE law requires local jurisdictions to fund school systems at the same amount per pupil as the prior year; funding then increases or decreases relative to enrollment changes. MOE only impacts local funds and does not consider other funding sources. Any increase to the County contribution of new dollars above MOE adds to the base calculation for the next year and increases the per pupil amount, which then cannot be reduced, absent a waiver.

This law went through many changes following the recessionary period of FY10-13; and has again recently gone through many changes related to the pandemic experience. Several recent legislative revisions have sought to mitigate the impact on school systems of declining official enrollment counts as of the COVID-19 pandemic; subsequently, the FY24 requirement reduced the amount of funding used in the calculation and appeared intended to provide temporary flexibility for jurisdictions given the continuing shift in fiscal conditions.

The MOE requirement at this time requires jurisdictions to use the higher of either the previous year’s actual enrollment or the average actual enrollment of the previous three years. Due to declines in enrollment, the FY27 MOE minimum funding is \$23.2 million less than the FY26 local appropriation.

**Table 3. History of County Funding for MCPS in Terms of Maintenance of Effort**

<b>Fiscal Year</b>	<b>Amount Over MOE</b>
FY18	\$21.2 million
FY19	\$18.6 million
FY20	\$8.7 million
FY21	\$750,000
FY22	\$1.94 million
FY23	\$86.4 million
FY24	\$198.0 million
FY25	\$158.0 million
FY26	\$197 million
<b>FY27 (CE Rec)</b>	<b>\$222.4 million</b>

### **B. Public Testimony**

The Council held public hearings on the Operating Budget on April 7, 8, & 9. A summary with analysis of the testimony will be included in the packet for the April 22 Education & Culture Committee worksession.

### **C. Department Background**

The Montgomery County Public Schools (MCPS) operates a countywide system of public schools for students from pre-kindergarten through high school. For the 2025-2026 school year (FY26), 156,511 students in pre-kindergarten classes through Grade 12 attend 211 separate public educational facilities. For the 2026-27 school year (FY27), enrollment is projected to be 153,344 students.

**Recent Committee Worksessions.** Throughout the fiscal year, the Education and Culture Committee has met to discuss MCPS matters related to the MCPS Operating and Capital Budgets. Past meetings from this year are noted in Table 4.

**Table 4: Recent Committee Worksessions**

Meeting Date	Topic
EC Committee: 3/19/26	<a href="#">FY27-32 Capital Improvements Program - Montgomery County Public Schools (MCPS)</a>
EC Committee: 3/9/26	<a href="#">Update - Montgomery County Public Schools (MCPS) Attendance, Engagement and Truancy</a>
EC Committee: 3/5/26	<ul style="list-style-type: none"> <li>• <a href="#">Montgomery County Public Schools (MCPS) Class Size Report</a> <ul style="list-style-type: none"> <li>• <a href="#">Montgomery County Public Schools (MCPS) Academic Performance Metrics</a></li> </ul> </li> </ul>
EC Committee: 2/23/26	<a href="#">FY27-32 Capital Improvements Program (CIP) - Montgomery County Public Schools (MCPS)</a>
EC Committee: 1/30/26	<a href="#">FY27-32 Capital Improvements Program (CIP) Overview - Montgomery County Public Schools (MCPS)</a>
EC Committee: 1/12/26	<ul style="list-style-type: none"> <li>• <a href="#">Update - Montgomery County Public Schools (MCPS) International Enrollment</a> <ul style="list-style-type: none"> <li>• <a href="#">Update - Montgomery County Public Schools (MCPS) Anti-Racist Audit Recommendations</a></li> </ul> </li> </ul>
EC/HHS/PHP Committee: 1/12/26	<a href="#">Out-of-School-Time Strategic Plan</a>
EC Committee: 10/9/25	<ul style="list-style-type: none"> <li>• <a href="#">Resolution to approve Categorical Transfers, FY25 Operating Budget, Montgomery County Public Schools (MCPS), \$7,250,000</a></li> <li>• <a href="#">Montgomery County Public Schools (MCPS) Proposed Regional Programming Model</a></li> </ul>
EC Committee: 9/24/25	<ul style="list-style-type: none"> <li>• <a href="#">Discussion - Montgomery County Public Schools (MCPS) Revised Student Code of Conduct</a></li> <li>• <a href="#">Update - Montgomery County Public Schools (MCPS) Restorative Justice Program</a></li> </ul>
EC Committee: 9/11/25	<ul style="list-style-type: none"> <li>• <a href="#">Montgomery County Public Schools (MCPS) Central Office Re-Organization</a></li> <li>• <a href="#">Update - Montgomery County Public Schools (MCPS) Hiring/Staffing</a></li> </ul>
EC Committee: 7/25/25	<ul style="list-style-type: none"> <li>• <a href="#">Montgomery County Public Schools (MCPS) Strategic Technology Plan</a></li> <li>• <a href="#">MCPS Cellular Telephone Policy Change</a></li> </ul>
EC Committee: 7/17/25	<ul style="list-style-type: none"> <li>• <a href="#">Montgomery County Public Schools (MCPS) - Measures of Academic Progress (MAP) Scores</a></li> <li>• <a href="#">MCPS Grading Policy Changes</a></li> </ul>

## D. MCPS Racial Equity and Social Justice

The FY27 Operating Budget includes statements on Racial Equity and Social Justice for each chapter of the budget book. These statements describe how the work of each area positively impacts racial equity and social justice for the MCPS community. Council staff has summarized the racial equity and social justice overview for each chapter in the table below, consistent with the Council’s Racial Equity and Social Justice Act requiring information on how each recommended budget advances racial equity and social justice. Where possible, Council staff has noted initiatives where equity is assessed or analyzed, so as to highlight areas where increased equity might be shown over time.

**Table 5: RESJ Summaries by Chapter**

Chapter	Summary
1. Schools	Resource equity at MCPS is integrated into the allocation and use of resources. Equity in staffing is operationalized through collaboration with central partners; school-by-school analysis of positions; surveys on staffing requests and holistic request overviews with central staff; analyzing special education staffing to align with specific school and community needs; supplemental staffing allocated to schools through Federal Title I funding.
2. School Leadership and Improvement	The Division of School Leadership and Improvement (DSLII) works to advance racial equity and social justice by working to support schools in dismantling institutional barriers and eliminating predictable outcomes for marginalized students. DSLII uses a data-driven approach to deliver targeted, differentiated support to schools. This team also provides oversight on Title IX, Community Schools, Title I program initiatives, early childhood, special programs, in addition to working towards strengthening connections between students, families, and community resources
3. Teaching and Learning	The Division of Teaching and Learning works to ensure that all students, including EML students, have access to high-quality, culturally appropriate, antiracist instruction. This group monitors performance data for student groups who have historically faced systematic barriers and provides differentiated supports and resources. Among many other initiatives, this team uses formative and summative measurements to provide feedback to students and families, and adjust instruction as needed
4. Specialized Support Services	The Division of Specialized Services is a multi-sectional organization responsible for special education instruction and student support services. This department works to alleviate the overidentifying students of color as students with emotional and intellectual disabilities, and the disproportionate suspensions of these students. This work is accomplished through evidencebased interventions,

	disaggregated data monitoring and analysis, and ongoing professional learning opportunities for MCPS staff. Evaluations for this work include more equitable access to psychological assessments; targeted focus on increasing the rate of African American and Hispanic students completing college and FAFSA applications; and focused support for chronically absent students
5. Equity and Organizational Development	The Division of Equity and Organizational Development is the lead in outlining specific deliverables and action steps in response to findings from the AntiRacist Audit. Actions to address the findings are organized by 3 steps: 1) System-level Actions 2) Domain-specific Actions 3) School-level Actions. This team also identifies and reviews best practices and initiatives for utilizing an equity lens, in addition to conducting strategic analyses and developing clear quantifiable goals for culturally responsive educational practices.
6. Technology Services	The Division of Technology Services works to advance racial equity and social justice by ensuring every MCPS student, staff member, and family as equitable access to technology.
7. District Operations	The Division of District Operations oversees the management of facilities, transportation, food services, materials management and operational support. DDO utilizes equitable planning, diverse workforce development, and culturally diverse and responsive spaces and systems to promote inclusion and recognition to the unique needs of each school community. DDO partners with staff and stakeholders to gather input, advance racial equity, and incorporate diverse perspectives into its decision making.
8. Safety and Emergency Management	The Division of Safety and Emergency Management is responsible for school security and emergency planning and crisis response. DSEM designs and evaluates security infrastructure, including access control systems, visitor management systems, and digital surveillance, to meet the diverse needs of MCPS communities. The division focuses on eliminating disparities in the implementation of safety measures across schools, striving to ensure that no student or community feels disproportionately impacted by security practices
9. Human Resources and Talent Management	The Division of Human Resources and Talent Management's work is to recruit, hire, and retain highly qualified and diverse individuals, offer comprehensive certification services for administrative, teaching, supporting services, and substitute positions. DHRTM seeks to dismantle systemic inequities and create pathways for all employees to thrive. By building a workforce that mirrors the diversity of MCPS students, the division seeks to lay the foundation for a more equitable and inclusive school system.
10. Financial Management	The Division of Financial Management oversees the development and execution of the district's annual Operating Budget and collaborates on the Capital Improvement Plan, ensuring alignment with district

	<p>goals. By providing oversight, accountability, and regulatory compliance, the division establishes sound financial policies, systems, and controls. By aligning funding decisions with the district’s equity goals, the division aims to create a more inclusive and supportive learning environment for all students, particularly those facing systemic barriers. The commitment to equitable funding is exemplified in the pre-K to Grade 12 budget staffing guidelines, which ensure that resources are allocated based on the unique needs of each school and its student population. Through targeted allocation, DFM strives to enhance academic achievement for students from historically underserved communities, including low-income students, English learners, and students with disabilities.</p>
<p>11. Family and Community Engagement and Communications</p>	<p>The Divisions of Family and Community Engagement and Communications are responsible for building meaningful, culturally responsive, and inclusive partnerships between families, schools, and the broader community to support student learning and well-being; and providing timely, accurate, and accessible information that supports student success through a wide range of communication tools and resources, respectively. DFCE’s efforts focus on uplifting communities historically excluded from school engagement opportunities, creating safe and welcoming environments where all families can participate in their children’s education. DoC provides translation and interpretation services in more than 40 languages and produces content that reflects the unique cultural identities of MCPS families. Both divisions, along with the Office of the Chief of Staff, collaborate to strengthen family involvement in education by prioritizing equity in outreach, engagement, and communication, to help eliminate opportunity gaps and ensure that all caregivers—regardless of race, ethnicity, language, or socioeconomic status— can actively participate in their student’s educational journey.</p>
<p>12. Administration and Oversight</p>	<p>The Board of Education and the Office of the Superintendent serve to guide the school system in order to make it more equitable, innovative, and student centered. By setting ambitious goals, establishing thoughtful policies, and allocating resources strategically, the BoE and Superintendent work to eliminate disparities, amplify opportunities, and address the diverse needs of every MCPS student.</p>

**E. Budget Discussion Items**

All of the changes in the MCPS Operating budget are reflected in [Table IA](#) and included in the [budget book](#).

## 1. Base Budget Adjustments.

The base budget changes result in reductions totaling \$10,150,712 and 41.0 Full-time Equivalent (FTE) positions. These adjustments are the result of a continued approach to zero-based budgeting and prioritizing schools and students. MCPS has been intentional about aligning resources and central office support efficiently in a time of declining enrollment. The proposed operating budget includes reductions in Central office of 41 FTEs accounting for \$5.7 million in savings and \$4.45 million in contractual services. The bulk of the contractual services reduction is a result of the implementation of the last phase of the Human Capital Management system.

## 2. Non-Discretionary Requirements.

The items MCPS labels as non-discretionary requirements in the recommended operating budget make up the largest area of changes and total \$161,962,972 while reducing positions by 68.6 FTEs. The major components of this area of change are:

**Employee Compensation:** This budget includes \$189.9 million in compensation costs for year two of a two-year contract with the three MCPS bargaining units that took effect in FY 2026. This budget also builds in the savings due to the lapse and turnover of positions, which is estimated to save \$70.0 million in FY 2027.

**Benefits:** The FY 2027 budget request includes an additional \$40.0 million for the Employee Benefits Plan (EBP). The plan continues to experience fiscal challenges, despite negotiated changes to the plan, due to the increased cost of medical expenses. In addition, an increase of \$468,102 has been added to the budget for the system's contribution to the Montgomery County Self-Insurance Program for FY 2027. The pension portion of benefits has a total decrease of \$20.6 million, which includes \$0.8 million from the local pension as a result of the local retirement actuarial valuation, and \$19.8 million from the state portion, as it was determined after the adoption of the FY26 Operating Budget that 2025 legislative action passed on these costs to the local government rather than local school districts.

**School Enrollment and Staffing Standards:** MCPS is projecting that enrollment for kindergarten through Grade 12 will decrease by 4,847 students for FY 2027, and that it will continue to decrease throughout the next few years. MCPS is starting a review of its staffing guidelines, which have not been reviewed and analyzed for more than 20 years, to create new staffing standards which reflect changes in education and align with national standards. These new standards are planned to be implemented through a phased approach spanning the next five years. The net change from the current staffing guidelines and the proposed staffing standards for FY 2027 results in a net decrease of 84.5 FTE positions and \$13.5 million.

**Other School Supports:** There is a net increase of \$7.2 million in non-position expenses for contractual speech, occupational, physical therapy, private duty nursing services, and the Extended School Year Program for students with disabilities. Increases also included funding to support the payment for commencement facilities to ensure equity among schools, transportation for our students

to athletic and music events, as well as inflationary increases for instructional materials, furniture and equipment, and athletic transportation.

**New Schools:** There is a planned increase of 6.0 FTE positions and \$716,260 to hire staff to ensure the successful opening of the Charles W. Woodward and Crown high schools in FY 2028. Due to the adoption of the modified Option H for the Crown/Damascus Boundary Study which will result in the Crown Farm building housing Wootton High School, an adjustment to this increase may be warranted.

**Grant Changes:** There is a net decrease of 49.8 FTE positions and \$8.3 million across both schools and central services for the changes in the Title I, Title II, Individuals with Disabilities Education Act, and Carl D. Perkins grants that are received from the federal government. The decreases partially are offset by an increase in funding related to the opening of the fourth MCPS Judy Center Early Learning Hub at Galway Elementary School, as well as the Medical Assistance Program grants.

**Special Education Non-Public Placements:** There also is an increase of \$6.5 million for both enrollment increases and inflationary costs for students with disabilities needing a placement in non-public schools.

**Curriculum, Instruction and Professional Development:** There is a net increase of 2.5 FTE positions and \$6.3 million that will continue to support the English Language Arts, as well as the new mathematics curriculum from the state that will bring changes to the middle school schedule as part of its implementation.

**Finance, Human Resources, and Technology:** There are several operational requirements that increase the budget across finance, human resources, and technology by 38.0 positions and \$9.2 million. These required investments support positions in all of these areas to increase the personnel needed to manage, maintain, and accurately implement the Human Capital Management system, as well as the school system's cybersecurity protocol, Americans with Disabilities Act accommodations for staff, and the significant increase that the school system has experienced in Maryland Public Information Act requests.

**Operational Costs:** A net increase of 17.3 FTE positions and \$13.8 million is required to continue to make meaningful improvements in the health and safety of facilities, as well as provide both food services and transportation to students. This includes increases of 4.5 building service positions due to the increase in square footage at both Joann Leleck Elementary School at Broad Acres and Kensington Parkwood Elementary Schools, 3.5 transportation route supervisor positions that will be filled in January 2027 to start determining and developing the necessary bus routes to support the Regional Academic Program model across the six regions, and to implement the new school boundaries, and 2.75 food services positions to provide meal support to our enhanced summer programs. A large portion of this investment is the inflationary increase of \$3.7 million in utilities for more than 238 facilities. Additionally, there is a decrease of \$1.1 million for bus fuel based on current industry rates.

### **3. Blueprint for Maryland's Future Requirements.**

The State of Maryland's Blueprint for Maryland's Future legislation requires increases totaling \$12,165,532 and 16.1 FTE for FY 2027.

**Pillar I: Early Childhood Education:** A total of \$936,370 and 8.1 FTE positions is included for pre-kindergarten expansion. This includes the conversion of five prekindergarten classes from half-day to full-day, and it also includes the increase of \$330,000 for the local match funding required by the award of the new Judy Center at Galway Elementary School.

**Pillar II: High Quality and Diverse Teachers and Leaders:** The budget includes an additional 5.0 teacher positions totaling \$627,789, including salaries and benefits. Those positions will assume the role of lead teachers at elementary schools based on the requirements of the Blueprint for the Career Ladder component, mandated to be negotiated and implemented in July 2026.

**Pillar III: College and Career Readiness:** An increase of \$1.7 million for dual enrollment tuition and materials.

**Pillar IV: More Resources for Students to be Successful:** An increase of \$8.8 million and 3.0 FTE positions for community schools is required due to the governor's budget proposing three additional community schools for MCPS in FY 2027, and the additional per-pupil funding for community schools that were added last year. Additionally, there is an increase of \$100,000 for rate increases for the Dynamic Indicators of Basic Early Literacy Skills testing materials used to assess students' acquisition of early literacy skills in kindergarten through Grade 3.

#### **4. Discretionary Expenditure Requests.**

A total of \$25,805,561 and 177.5 FTE positions are included in the FY 2027 budget request for discretionary expenditure requests for MCPS. Following are the highlights of these items.

**Equitable School Allocations:** The budget includes an additional \$1.2 million for differentiated school site allocations as phase two of a five-year implementation to provide schools with the necessary resources based on the specific needs of their student population.

**School Security Allocations:** As phase two of a five-year phase-in implementation of the security staffing standards, and continuing the investments from last year's budget, the budget includes 28.0 FTE positions and \$1.7 million for additional school-based security assistants. This proposal is based on an allocation of a security assistant to every elementary school by the school year 2029-2030.

**Menstrual Hygiene Products:** This budget adds \$104,100 for secondary schools to purchase menstrual hygiene products.

**Special Education Resource Teachers:** The budget includes \$12.0 million and 118.5 FTE for a special education resource teacher position at elementary schools, learning centers, and special schools as part of the new instructional staffing standards.

**Summer School:** The budget request adds \$1.8 million to increase the footprint of summer school programs to include six regional in-person high school sites, as well as the first regional boot camps for middle schools' math and literacy support. This amount is inclusive of meals and transportation for students.

**Systemwide Professional Development:** This budget includes \$5.1 million to support professional development for Tier I instruction across all areas, safety, and cultural proficiency. Additionally, this will reduce one no-work/no-pay day for supporting services employees.

**Secondary Literacy Supports:** The budget includes an additional cross-functional team position for secondary literacy, which includes 12.0 instructional specialist positions at a cost of \$2.0 million. This increase is offset by the decrease in the number of cross-functional teams, based on the recommendation of two cross-functional teams per region.

**Special Education Behavioral Support:** There is an addition of one cross-functional team position per region to support and train school staff on special education behavioral support. This is an increase of 6.0 FTE positions totaling \$1.0 million.

**Regional Program Support:** There is an increase of 0.4 released teacher positions at each of the high schools for a total of 10 FTEs and \$922,815, to begin the work of planning and preparing for the implementation of new academic programs at each high school beginning in FY 2028.

**Other discretionary increases include** \$172,053 for a 1.0 safe routes to school coordinator to support coordination with county and state agencies in reviewing and establishing safe routes to school; \$250,000 for additional project management training and certification (previously reduced in the FY 2026 budget); \$166,861 for a 1.0 volunteer coordinator position to support volunteer work in the district by assisting with school volunteer coordination; \$593,716 for extra-curricular activities for elementary, middle, and high schools, including the Minority Scholars Program, Latin dance, robotics, as well as funding for program costs for a Student Action Climate Group; and \$171,912 for a 1.0 program audit coordinator position for the Board of Education to expand to the review of programs, instead of the sole focus of financial audits.

## **F. Monthly Financial Report and MCPS Fund Balance**

The MCPS Operating Budget fund balance shows savings achieved by the school system and funds not spent within a fiscal year. As State law prohibits MCPS from ending the year in a deficit, the district must end each year in a surplus. These funds can only be spent by MCPS following Council appropriation. The re-appropriation of the fund balance is typically allocated as a resource for the following year's budget as part of the annual appropriation resolution. The fund balance appropriation is not part of MOE, as it does not affect the per pupil amount and cannot be counted towards the County's MOE contribution.

The unassigned fund balance for FY26 was \$21,478,157. Factors impacting the amount of carryforward in FY25 included savings from lapse and turnover of positions in FY25, in addition to both hiring and expenditure reductions implemented for central services in October 2024.

**Table 6: MCPS Fund Balance History**

Fiscal Year	Fund Balance Re-Appropriated
FY13	\$17,000,000
FY14	\$26,972,451
FY15	\$38,172,451
FY16	\$38,172,451
FY17	\$33,162,633
FY18	\$22,783,303
FY19	\$25,000,000
FY20	\$25,000,000
FY21	\$25,000,000
FY22	\$25,000,000
FY23	\$25,000,000
FY24	\$25,000,000
FY25	\$18,893,057
FY26	\$21,478,157

Based on the revenue and expenditure projections as of the [March 26 Monthly Financial Report](#), the unassigned fund balance at the end of FY26/start of FY27 is estimated to be \$5,970,730 as is illustrated in Table 7. The Board’s request for FY27 does not include any assumed fund balance as a resource for the operating budget. The system implemented expenditure restrictions on March 4, 2025 for central services, including hiring restrictions to address unanticipated costs resulting from the winter weather event and extension of the school year.

**Table 7. MCPS Fund Balance Status and Projection**

From the 3/26 Monthly Financial Report	
Start of FY26 Fund Balance	\$21,478,157
FY26 Projected Revenue Surplus	\$3,365,359
FY26 Projected Supplemental for Employee Benefits Plan	(\$12,000,000)
FY26 Projected Supplemental for Weather-Related Event	(\$8,500,000)
<b>Revenue Subtotal</b>	<b>\$4,343,516</b>
FY26 Projected Expenditure Balance	(\$6,872,786)
FY26 Projected Supplemental for Weather-Related Event	(\$8,500,000)
<b>FY26 Projected Surplus</b>	<b>\$1,627,214</b>
<b>FY26 Projected End-of-Year Unassigned Fund Balance as of 7/1/26</b>	<b>\$5,970,730</b>

Table 8 shows the expenditure status by State funding category. The March 26 report identifies a deficit seven categories; Administration; Mid-level Administration; Instructional Categories; Special Education; Student Personnel Services; Health Services; and Operation of Plant & Equipment.

Explanations for several of these are tied to winter storm related expenses and costs associated with the extension of the school year. The FY26 projected expenditure balance may change slightly in the next financial report, as the Maryland State Board of Education approved a resolution allowing MCPS to waive three days of student attendance around the same time as the March 26 report was published. Other factors such as increased costs for utilities used due to freezing temperatures will factored in, which will also likely impact the projection.

**Table 8. MCPS FY26 Budget and Variance by Category**

Category	Approved FY26 Budget	3/26/26 Projected Variance	% of Total
1. Administration	\$80,344,924	(\$2,343,049)	-2.92%
2. Mid-Level Administration	\$208,810,644	(\$3,710,302)	-1.78%
3. Instructional Salaries	\$1,331,012,118	(\$8,097,722)	-0.61%
4. Textbooks & Instr. Supplies	\$53,391,813	\$5,122,196	9.59%
5. Other Instructional Costs	\$45,105,650	\$1,832,077	4.06%
6. Special Education	\$527,388,484	(\$592,732)	-0.11%
7. Student Personnel Services	\$22,876,346	(\$230,358)	-1.01%
8. Health Services	\$5,636,959	(\$34,299)	-0.61%
9. Student Transportation	\$160,077,486	\$220,560	0.14%
10. Operation of Plant & Equip	\$197,970,140	(\$8,021,439)	-4.05%
11. Maintenance of Plant	\$57,700,176	\$7,682,311	13.31%
12. Fixed Charges	\$811,391,174	\$1,255,573	0.15%

## G. Summary of Committee Decision Points

As the committee proceeds through the scheduled four worksessions on the MCPS Operating Budget, there will be more certainty about the level of state funding and the impact of federal cuts to grants and programs. The committee will take these factors into consideration as it makes a recommendation to the full Council on a funding level for MCPS for the FY27 budget.

This packet contains:

- BOE FY27 Adopted Budget Summary ©1
- County Executive FY27 Recommendations ©2-9
- MCPS Monthly Financial report 3-18-2025 ©10-20



**Agenda Item:** #3

**Date:** April 22, 2026

**Staff:** Doug Prouty, Senior Legislative Analyst  
Kristin Cummings, Legislative Analyst

**Subject:** FY26 Operating Budget – Montgomery County Public Schools

**Purpose:** Worksession - Review and Discussion (no vote expected)

**Expected Attendees:**

- Thomas Taylor, Superintendent, Montgomery County Public Schools (MCPS)
- Essie McGuire, Chief of Staff, MCPS
- Yvon Alfonso-Windsor, Chief Financial Officer, MCPS
- Niki Porter, chief academic officer, MCPS
- Dr. Margaret Cage, chief student support officer, MCPS

**Executive Summary and Key Issues for Committee Review**

- **Overview of FY27 Operating Budget review structure.** The Education and Culture Committee will hold its second of four worksessions to review the Board of Education’s Requested FY27 Operating Budget for Montgomery County Public Schools (MCPS), as detailed below.

April 13	April 22	April 27	May 1
<ul style="list-style-type: none"> <li>• Overview</li> <li>• Fiscal Summary</li> <li>• Revenues and Expenditures/State Aid</li> <li>• Blueprint &amp; Community Schools</li> <li>• MOE</li> <li>• Fund Balance</li> <li>• RESJ Statements</li> </ul>	<ul style="list-style-type: none"> <li>• Equity Add-On (Differentiated School Allocation)</li> <li>• Special Education</li> <li>• EML</li> <li>• Staffing (New Staffing Standards)</li> <li>• Opening HS &amp; regional program implementation</li> <li>• Summer School</li> <li>• Secondary Literacy Support</li> </ul>	<ul style="list-style-type: none"> <li>• Vacancies, Lapse, Recruitment</li> <li>• Contractual Services</li> <li>• Compensation</li> <li>• Benefits</li> <li>• Safety and Security</li> </ul>	<ul style="list-style-type: none"> <li>• Tech Mod</li> <li>• Relocatables</li> <li>• Updates and Follow-Up</li> <li>• Funding Recommendation</li> </ul>

Discussion items for the April 22 worksession are detailed below:

- Equity Add-On (pages 2-4)
- Special Education and Emerging Multilingual Learners (pages 4-6)
- Staffing (New Staffing Standards) (pages 6-9)
- Opening HS and Regional Program Model implementation (pages 9-10)
- Summer School (pages 10-11)
- Secondary Literacy Support (pages 11-12)

## A. Summary of FY27 Recommended Budget

A detailed summary of the Board of Education’s requested FY27 operating budget and the County Executive’s recommended budget was included in the April 13, 2026 [E&C Committee staff report](#). The one page table summarizing the FY27 Operating Budget proposal can be found [here](#).

## B. Public Testimony

The Council’s April 2026 operating budget public hearings occurred on April 7, 8, and 9. Numerous MCPS educators, parents, students, and interested community members testified in support of full funding of the County Executive’s recommendation for the MCPS budget. Support for several capital projects were mentioned. Full funding for the school system was brought up by several community members as well. The overall number of community members testifying on the MCPS was fewer than in the past.

## C. Background

The Montgomery County Public Schools (MCPS) operates a countywide system of public schools for students from pre-kindergarten through high school. For the 2025-2026 school year (FY26), 156,541 students in pre-kindergarten classes through Grade 12 attend 211 separate public educational facilities. For the 2026-27 school year (FY26), the projected enrollment is 155,374.

The Education & Culture Committee has had a number of recent worksessions on topics related to MCPS. MCPS staffing and hiring were discussed on September 11, 2025; the Regional Program Model was discussed on October 9, 20215; Career Readiness was discussed on December 12, 2025, International Enrollment and the Anti-Racist Audit recommendations were discussed on January 12, 2026; and Class Size and the new staffing standards were discussed on March 5, 2026.

## D. Budget Discussion Items

### 1. Equity Add-On

MCPS proposes adding \$ 1,175,930 to the budget for this initiative as a discretionary item. The Equity Add-On is being phased over a five year period. In FY26, \$ 2,482,220 was allocated for the initiative. The distribution of the funding at a system level is shown in the table below.

**Table 1: Equity Add-on by level**

Schools	Elementary School Instruction	Materials - Equity Add	\$5,630
		Other Program Costs - Equity Add-on	578,430
	High School Instruction	Other Program Costs - Equity Add-on	338,020
	Middle School Instruction	Other Program Costs - Equity Add-on	253,850

	<b>Total</b>		<b>\$ 1,175,930</b>
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The MCPS budget request specifies that funds are added to the budget to provide additional materials allocations to schools for all students with disabilities, students impacted by poverty, and Emergent Multilingual Learners.

The specific distribution in FY26 to individual schools can be found in the [Equity School-Based Allocation FY26 Model](#), also attached to this report at ©1-6. The proposed distribution for FY27 can be found in the [Equity School-Based Allocation FY27 Model](#), again attached to this report at ©7-12. Council staff requested information on the implementation of this initiative in FY26, which is as follows.

**How have the FY26 funds been spent? (overview)**

*MCPS is currently surveying schools to better understand how the Equity Add-On funding has been implemented during this first year of allocation to advance equity, access, and instructional support for students receiving special education services, students eligible for FARMS, and Emergent Multilingual Learners (EML). Based on feedback received to date, schools report that this funding has already had a meaningful impact.*

*Schools have noted that the Equity Add-On funds increased student access to and participation in field trip experiences by removing financial barriers that previously limited participation for some students. Schools have also leveraged the funding to purchase additional instructional materials and digital licenses to strengthen curriculum implementation and to expand student access to arts and STEM programming. Multiple schools highlighted investments in literacy and mathematics resources to enhance core instruction.*

*In addition, schools shared targeted examples of how the funding supported specific student populations. One school described increased access and academic growth for EML students through the purchase of supplemental resources that supported small-group and differentiated instruction. Another school reported using the funds to enhance hands-on and sensory learning opportunities for students receiving special education services through a horticulture-based program.*

*As this is the first year of implementation, MCPS views this as an important learning period. We will continue to engage closely with schools, gather feedback, and refine guidance to ensure the Equity Add-On funding is used effectively to further equity and access while supporting improved instructional outcomes and student achievement across the district.*

**How is MCPS measuring ROI on this spending? (We assume it is the usual academic measures, anything else or any more immediate measures?)**

*Return on Investment (ROI) will be aligned with traditional academic measures for our students, while also extending beyond those metrics. Feedback from schools, particularly those with high FARMS rates, has consistently highlighted that limited resources can restrict access to enriching opportunities such as academic field trips. The equity add-on fund directly addresses this gap by providing flexible, diversified funding that enables schools to meet student needs and expand educational offerings that might otherwise be unavailable.*

***Has MCPS considered how it will prioritize this spending if budget cuts are necessary? Could it be across the board decreases or removing some schools from funding or something else?***

*If the budget is reduced, MCPS will reassess the overall budget to refine priorities in alignment with our Strategic Plan, ensure core functions are maintained, and continue meeting student needs as we prepare Future Ready Graduates.*

## **2. Special Education and Emergent Multilingual Learners**

### Special Education

A major initiative in the recommended FY27 budget is 118.5 FTEs and \$12 million in order to provide a Special Education Resource Teacher for each elementary school.

The job description for the Special Education Resource Teacher (SpEd RT) states that the RT provides leadership to the Department of Special Education (DSES) or program within elementary schools and serves as the liaison to the DSES. Specific job functions for the position include:

- Assists special education teachers in implementing effective instructional strategies, classroom organization, behavioral supports, and classroom management techniques to improve student outcomes.
- Supports the implementation of the Montgomery County Public Schools (MCPS) curriculum and apprises staff of curriculum changes, instructional expectations, and program requirements.
- Provides strategies and supports the implementation of programs and practices to improve student achievement, engagement, and school climate.
- Serves as the primary staff member responsible for ensuring fidelity and compliance with Individualized Education Programs (IEPs), including monitoring implementation, service delivery, accommodations, and progress reporting.
- Collaborates with school administrators, general education teachers, and other staff to support inclusive practices and prepare students for assessments and standardized testing.
- Serves as a liaison between the special education department, school administration, and central services staff, including supervisors, directors, instructional specialists, and cross-functional teams (CFTs).
- Fosters collaborative and cooperative relationships within the department and across the school community.
- Collaborates with department members, counselors, and administrators to develop master schedules, assign courses, and ensure appropriate student placement based on IEPs.
- Coordinates the identification, evaluation, and instructional programming of students with disabilities, including participation in IEP meetings, eligibility discussions, and service planning.
- Conducts and participates in departmental, leadership team, instructional council, and IEP meetings to address student needs and ensure compliance with federal, state, and local regulations.
- Assists in analyzing student performance data to support instructional decision-making and improve teaching practices.

- Participates in the design, implementation, and monitoring of the school improvement plan and special education program goals.
- Supports the planning and delivery of professional learning opportunities for special education staff and collaborates with consulting teachers and mentors.
- Assists the principal and administrative team in the selection, onboarding, and evaluation of department staff, including observing instruction and contributing to evaluation processes as appropriate.
- Supervises and supports special education paraeducators, including providing guidance on instructional practices and student support strategies.
- Assists with managing departmental resources, including supporting budget planning, ordering, and distribution of instructional materials and assistive resources.
- Supports substitute teachers by providing guidance, materials, and continuity of instruction.
- Participates in student, parent/guardian, and teacher conferences as needed to support student progress and communication.
- Attends school-based and central office meetings and collaborates with supervisors, instructional specialists, and central services staff to ensure alignment of programs and services.
- A typical workday may include providing direct instruction through small-group or pull-out interventions, co-teaching in general education classrooms, facilitating or delivering professional development, attending district-level resource teacher trainings, and leading or participating in IEP meetings to ensure compliance and high-quality programming.
- Performs related duties consistent with the scope and intent of the position.

**Ability to fill positions in FY27.** Council staff notes that this position, as is true of the SpEd RT in middle and high schools, requires thorough knowledge of the curriculum, pedagogy, coaching, administration, budget, Individual Education Plans, and 504 plans. The SpEd RT is a member of the school leadership team and has an evaluative role for the department members. This aspect of the work must be balanced with providing support to each teacher and developing a camaraderie within the department. Open RT positions often attract applicants from multiple schools. Filling 118.5 positions in one hiring cycle will be a challenge.

Below is MCPS response to council staff's question about the implementation of this position:

*The Resource Teacher Special Education Position, which is currently within secondary schools (middle and high schools), will now be available at the elementary school level with similar job responsibilities. The position is in alignment with the Maryland Blueprint requirement. This position is part of our staffing standards for elementary schools and will be allocated based on the special education enrollment at the school level - schools with 20 or more special education students will receive an allocation of 0.5 FTE, and schools with 60 or more special education students will receive a 1.0 FTE. Additionally, all learning centers and special schools will receive an allocation of a 1.0 FTE.*

Council staff notes that the addition of hundreds of Special Education teacher and para-educator positions in FY26 also presented a challenge. MCPS provided this assessment of the hiring process and implementation of the additional positions in FY26:

*The FY26 investment in special education (teachers, paraeducators, and related service providers) aligns with a common national strategy: using staffing increases to stabilize service delivery and improve compliance with IEP requirements. A significant portion of this investment was the conversion of temporary part-time paraeducator positions into permanent positions to reduce turnover and ensure greater consistency, continuity, and quality of support and services for students. In addition, new teacher and paraeducator positions were added to address ongoing enrollment growth among students identified for special education, helping to maintain appropriate staffing levels as demand continues to increase.*

*We used a comprehensive, multi-tiered data framework to evaluate how the additional staffing in FY26 supports services and student outcomes in special education. This includes state accountability and MSDE indicator data to monitor compliance; multiple student outcome measures such as MCAP growth, IEP goal progress, functional outcomes, and graduation rates; and ongoing departmental data reviews.*

*Data points are disaggregated by school, disability category, and service model to assess equity, consistency, and the effectiveness of staffing investments across schools. Beyond counting positions, we evaluate how staffing allocations align with student needs, reduces service gaps, limits restrictive environments and nonpublic placements, and improves access and inclusion.*

### Emergent Multilingual Learners

Funding for Emergent Multilanguage learners did not increase for EML during FY26 or FY27. However, a comprehensive plan has been developed to align EML staffing with newly established standards. This will be implemented in phases, beginning with elementary schools in FY28, followed by middle schools in FY29, and high schools in FY30.

### **3. Staffing (new staffing standards)**

The Education and Culture Committee discussed [class size and the proposed new staffing standards](#) at its worksession on March 5.

MCPS proposes adding 420.8 positions, at a cost of \$34,881,838 to begin the phase-in of the adopted new staffing standards in FY27. The Superintendent proposes a six-year implementation period for these new standards, with an annual evaluation and opportunity for adjustment. The plan would affect staffing levels for numerous positions in addition to classroom teachers. The second page of the attached summary (©18-19) of the proposal provides more detail about these positions.

At the Board of Education’s February 2, 2026 budget worksession, the projected costs for the new staffing standards were included in a slide projecting additional costs for major budget items, as found in the table below.

**Table 2: Multi-Year Budget Sketch**

Items	Type	FY 2028 (in millions)	FY 2029 (in millions)	FY 2030 (in millions)	FY 2031 (in millions)
Compensation	To be negotiated (current contracts end FY 2027)	Negotiated	Negotiated	Negotiated	Negotiated
Benefits	Deficit Recovery and Cost Increase	\$93.4	\$55.9	\$44.5	\$27.3
Enrollment Changes	Projected enrollment decreases	(\$20.3)	(\$8.7)	(\$10.7)	(\$13.4)
Staffing Standards	Multi-year Implementation	\$53.3	\$42.7	\$54.3	\$37.5
Blueprint for Maryland's Future	Current and Future Requirements	\$21.5	\$13.5	\$10.8	\$9.2
Inflationary Changes	Track with Regional Consumer Price Index (CPI) + Other Factors	\$7.7	\$7.2	\$7.1	\$6.9
Strategic Plan Initiatives	Strategic Plan Goal and Objectives (2025 -2030)	TBD	TBD	TBD	TBD

The slide deck for this Board budget worksession is attached. Slides 35-42 (©55-62) highlight a multi-year budget sketch with anticipated costs associated with the major cost drivers, including those for the proposed staffing standards on slide 39:

*Between FY 2028 and FY 2031, this framework will require significant investment for equitable distribution of resources aligning with Blueprint. Projected enrollment decreases will support this effort by offsetting some of the costs. Estimated additional FTEs assumes the projected FY 2027 enrollment by school and does not account for future enrollment decreases:*

- *Elementary—1,545 FTEs to include security assistants, kindergarten paraeducators, ELD teachers and specialists, special education teachers, and paraeducators*
- *Middle and Special Schools—697 FTEs to include testing coordinators, classroom teachers, reinstating staff development teachers to full time, EML teachers and content specialists, special education teachers, and paraeducators*
- *High—1,141 FTEs include testing coordinators, classroom teachers, reinstating staff development teachers to full time, EML teachers and resource teachers, special education teachers, and paraeducators*

Full implementation of the new standards could result in 3,383 new FTEs. However, this number would most likely be lower due to the expected decrease in enrollment. For example, the FY27 proposal anticipates a reduction of 518 FTEs due to lower enrollment and an addition of 420 FTEs for the first year of the proposed new staffing standards, resulting in a net decrease of 98 FTEs for FY27.

MCPS states that the reasons for the adoption of new staffing standards are :

- Financial Irresponsibility: (MCPS) currently has no real position control
- A strategic plan objective to stabilize and reduce class size—it will take several years to realize a big impact
- MCPS’ approach to staffing has not been updated in many years
- There are currently staffing “guidelines” that are loose, lack dependability, and are subject to interpretation and politics
- Standards (vs. Guidelines) address transparency, equity, and adequacy in our staffing
- A need to build a model that can be adjusted annually (and transparently)

Additionally, the new staffing standards align with Objective Two of Goal Four of the Blueprint for Maryland’s Future, which is:

*Establish and maintain staffing standards and program capacity standards that meet the needs of students and effective operations.*

MCPS’ stated goals for the new standards are:

- Consistency and Transparency
- Financial Stability and Predictability
- Differentiation to meet student need
- Targeted support to increase academic achievement
- Staffing ratios that balance workload
- Data-based decisions to improve equity
- Regional competitiveness

The standards propose to tie class size to a tiered system based on Free and Reduced Meals data, an established measure of socio-economic status. There would be four tiers each at the elementary and secondary levels. Targeted class size would decrease as the percentage of students qualifying for FARMS increases. The charts in the summary on page ©18 provide an overview of the percentages associated with each tier as well as the intended class size standards. In addition, there are new staffing standards included in the proposal for Special Education teachers and paraeducators based on the percentage of the school day students spend in the Least Restrictive Environment, which means spent in the general education setting. Finally, there are new staffing standards for teachers of Emergent Multilingual Learners based on the English Language Proficiency levels of the students. Please note that these staffing standards reflect the number of students assigned to a teacher for language acquisition support, not class sizes. Level 1 designates the lowest level of proficiency. The charts in the summary on page ©18-19 provide an overview of the special education and EML recommendations.

Council staff inquired about the possibility of budget cuts affecting the implementation of the new staffing standards, MCPS responded:

*Staffing standards are a priority, as MCPS’s approach to staffing has not been updated in many years. These standards establish a sustainable framework for staffing decisions and support*

*the goals of improving consistency, transparency, and equity in how staffing resources are allocated. The staffing standards are projected to be implemented over the next five years, followed by an additional year to assess overall impact and identify any necessary adjustments. As with any major initiative, implementation will align with available resources, and updates will be made as funding becomes available and priorities are addressed.*

#### **4. Opening HS and Regional Program Model implementation**

MCPS proposed 3 new FTEs at a cost of \$358,130 in FY27 for each high school which will open in the 2027-28 school year. Due to the adoption of Option H for the Crown/Damascus Boundary Study, which will result in Wootton High School moving to the Crown Farm location, the line item to support the staffing to prepare for the opening of Crown HS is no longer necessary. The line item of 3 new FTEs to support the re-opening of Woodward HS remains.

MCPS proposes adding 10 school based FTEs at a cost of \$922,815 and 6 Central Office FTEs (one supervisor and 5 coordinators in the Department of Academic Programs) at a cost of \$1,104,652 to plan for the change to the Regional Program model in the Fall of 2027-28. These positions are intended to be school based personnel to plan for and support the regional program model.

Council staff asked for information on the work plan for the 16 FTEs which will plan the implementation of the Regional Program model. In addition, Council Member Mink sent a set of questions about the Regional Program model. MCPS's responded:

*For the 2026-2027 school year, each high school will be allocated a .4 FTE to allow release time for a staff member to support the planning, coordination, and implementation of regional program pathways at the school level. The role helps ensure consistent program implementation across all regions, supports students and program staff, coordinates communication with families and regional partners, and assists with recruitment, articulation, and continuous program improvement for all program pathways at that school.*

*(Responses to) Additional questions from Councilmember Mink:*

*Much of the planning and development work outlined in these questions is the work of the upcoming year ahead of School Year 2027-2028 implementation. The Board's approval resolution of March 26, 2026, includes the following provisions:*

*Resolved, That the Board of Education authorizes the superintendent of schools to establish a secondary regional program model to expand equitable access to specialized programs and reduce scarcity and geographic barriers; and be it further*

*Resolved, regional programs shall be available within each operational region and shall be populated through student interest and choice within those regions;*

*This authorization initiates this next level work with teachers, program leaders, and other school-based staff. The FY27 Operating Budget request includes 5 positions centrally and 10 positions at the school level to build out the programs for regional implementation. This*

*collaborative, districtwide, central and school based approach will foster consistency in program strength and quality; equitable resourcing; and a community of professional learning to support all program development and implementation.*

*We would highlight that the SY2027-2028 implementation will begin with 9th grade, with subsequent grades phasing in each year. We will be happy to discuss more aspects of the Councilmember's questions during the work session.*

The Education & Culture Committee had a [briefing on and discussed the Regional Program model](#) on October 9, 2025. Details about the schools in each region, the programs at those schools, and the application process for the specific program at each school are available in the report linked above.

## 5. Summer School

MCPS proposes an additional \$1,822,602 to be spent to enhance the Summer School program. The funding will be used to Increase the impact of the program to include 6 Regional in-person high schools, and a Middle School math and literacy program.

Council staff asked for the following details on the use of the funding to expand Summer School :

- *How will the expansion occur? What will the course offerings be at the in-person HS? How will students be selected/encouraged to attend the MS support program? Approximately how many students will benefit?*

*During Summer 2026, MCPS will offer in-person and virtual regional high school programs, including transportation, and is designed to keep students on track to graduate. Additionally, we are expanding to offer a regional middle school program for students that can benefit from targeted academic support.*

*High School Regional Summer Program highlights:*

- *Locations: Six regional sites strategically located at Clarksburg, Albert Einstein, Richard Montgomery, Paint Branch, Watkins Mill, and Wheaton High Schools.*
- *Shift in Format: To maximize instructional consistency and operational efficiency, the program has moved to a four-day instructional week (Monday–Thursday), with virtual options strictly limited this year to prioritize in-person engagement.*
- *Graduation Requirements: Offerings include all core courses required for graduation*
- *Dual-Purpose Tracks: Courses are available for both original credit (for students looking to accelerate) and grade improvement/credit recovery (for students needing to retake a course).*
- *Specialized Sessions: Specific state-tested subjects (like Biology B and NSL B) are scheduled during Session 1 to align with state testing requirements.*

*Ignite Middle School Academy highlights:*

- *Locations and capacity: The Ignite Middle School Academy is projected to benefit approximately 1,400 students across its six regional middle school locations (Argyle, Eastern, Forest Oak, Francis Scott Key, Julius West, and Rocky Hill).*
- *Data-Driven Invitations: Targeted students are identified based on academic performance data in Literacy and Mathematics. These families received priority "Early Access" invitations via postcards and letters.*
- *Direct Outreach: To ensure high enrollment among vulnerable populations, schools are actively recruiting through:*
  - *Parent-teacher conferences and principal bulletins.*
  - *Direct advocacy during parent forums and community school events.*
  - *Registration support through the ParentVUE portal.*
  - *Curriculum Focus: Students engage in hands-on, project-based learning in Math, Literacy, and STEM, supplemented by college and career exploration and virtual reality experiences.*

## **6. Secondary Literacy Support**

MCPS has proposed adding 12 FTEs at a cost of \$2,002,332 to add an additional Cross Functional Team (CFT) position for Secondary Literacy (one per team).

Council staff asked for more information on the utilization of this position and how the Secondary Literacy Cross Functional Team (CFT) member will work with schools and the rest of the team. MCPS staff responded as follows:

*The work of the Secondary Literacy CFT members will include both pedagogy and curriculum implementation, with an emphasis on their intersection. The Secondary ELA CFT instructional specialist will serve as a critical bridge between curriculum, instruction, and school-based practice, working in close collaboration with school leaders, teachers, and the broader CFT team to support strong tier one instruction for all students. Their role will intentionally mirror and extend the support structures currently in place at the elementary level, while being responsive to the unique demands of secondary literacy.*

*Secondary ELA CFT instructional specialists will work with schools and the team by:*

- *Partnering with principals, assistant principals, content specialists, and resource teachers to strengthen schoolwide literacy vision, goals, and coherence across content areas while specifically supporting ELA at the secondary level instructionally.*
- *Supporting teachers and teams through job-embedded coaching, including modeling instruction, co-planning, and facilitating professional learning aligned to identified needs and system priorities.*
- *Engaging in data-informed cycles of support, helping schools analyze student performance, identifying trends, and adjusting ELA instruction accordingly.*
- *Collaborating closely with other CFT instructional specialists to ensure alignment across content areas, creating a more cohesive cross-content literacy system to specifically support Emergent Multilingual Learners and Students Receiving Special Education Services.*

- *Supporting the upcoming ELA high school curriculum RFP process, including gathering stakeholder input, supporting the selection process, and ensuring readiness for rollout, while supporting the second year of CKLA curriculum implementation for all middle schools.*

### **E. Summary of Key Decision Points**

The committee will consider the overall projections for the County Operating and Capital budgets as it makes its recommendation to the full Council on a funding level for MCPS for the FY27 budget.

This packet contains:

MCPS Equity Add-on individual school allocations for FY26	©1-6
MCPS Equity Add-on individual school allocations for FY27	©7-12
MCPS response to staff and CM Mink’s questions	©13-17
MCPS new staffing standards plan summary	©18-19
Board of Education Operating Budget Worksession #3 slide deck 2-2-2026	©20-73
MCPS new staffing standards implementation plan	©74-79



**Agenda Item: #5**

**Date:** April 27, 2026

**Staff:** Doug Prouty, Senior Legislative Analyst  
Kristin Cummings, Legislative Analyst

**Subject:** FY27 Operating Budget - Montgomery County Public Schools

**Purpose:** Worksession - Review and Discussion (no vote expected)

**Expected Attendees:**

- Thomas Taylor, Superintendent, Montgomery County Public Schools (MCPS)
- Essie McGuire, Chief of Staff, MCPS
- Ivon Alfonso-Windsor, Chief Financial Officer, MCPS

**Executive Summary and Key Issues for Committee Review**

- **Overview of FY27 Operating Budget review structure.** Today, the Education and Culture Committee plans to hold its third worksession to review the Board of Education's Requested FY27 Operating Budget for Montgomery County Public Schools (MCPS). Committee Chair Jawando has outlined the approach that the Committee will take to reviewing the budget request over the course of four scheduled Committee worksessions focusing on MCPS.

April 13	April 22	April 27	May 1
<ul style="list-style-type: none"> <li>• Overview</li> <li>• Fiscal Summary</li> <li>• Revenues and Expenditures/State Aid</li> <li>• Blueprint &amp; Community Schools</li> <li>• MOE</li> <li>• Fund Balance</li> <li>• RESJ Statements</li> </ul>	<ul style="list-style-type: none"> <li>• Equity Add-On (Differentiated School Allocation)</li> <li>• Special Education</li> <li>• EML</li> <li>• Staffing (New Staffing Standards)</li> <li>• Opening HS &amp; regional program implementation</li> <li>• Summer School</li> <li>• Secondary Literacy Support</li> </ul>	<ul style="list-style-type: none"> <li>• Vacancies, Lapse, Recruitment</li> <li>• Contractual Services</li> <li>• Compensation</li> <li>• Benefits</li> <li>• Safety and Security</li> </ul>	<ul style="list-style-type: none"> <li>• Tech Mod</li> <li>• Relocatables</li> <li>• Updates and Follow-Up</li> <li>• Funding Recommendation</li> </ul>

**MCPS FY26 Operating Budget Worksession #3 Overview:**

The third worksession on the MCPS Operating Budget will be focused on the following:

- ▶ **MCPS Staffing Overview:** including trends in major position categories, vacancies, lapse assumptions, and recruitment efforts,
- ▶ **Compensation and Benefits:** including salary costs, benefits contributions for active and retired employees, the Employee Benefit Plan (EBP) Fund Balance, and a pending supplemental request for State funds,
- ▶ **Contractual Services:** overview of MCPS contractual services, as well as those of contractors funded by the County which work with MCPS Schools, and
- ▶ **Recommended Operating Budget Impacts of Operational Adjustments for School Safety and Maintenance Operations:** overview of the fiscal and staffing changes proposed in the FY27 Operating Budget.

More detail on each of these priority areas can be found in section E of this report.

**A. Summary of FY27 Budget by Overview Category**

- 1) **Staffing:** BOE proposed decrease of \$13.5 million and 84.5 FTEs.
- 2) **Compensation:** BOE proposed increase of \$189.7 million, 3.25% COLA, and a step increase, averaging 3.5% for all eligible employees
- 3) **Benefits:** BOE proposed increase of \$19.7 million, \$20 million decrease in local pension costs, \$40 million increase in contribution to employee Benefit Plan
- 4) **Contractual services:** BOE proposed increase of \$10.3 million

**B. Public Testimony**

The Council's April 2026 operating budget public hearings occurred on April 7, 8, and 9. Numerous MCPS educators, parents, students, and interested community members testified in support of full funding of the County Executive's recommendation for the MCPS budget. Support for several capital projects were mentioned. Full funding for the school system was brought up by several community members as well. The overall number of community members testifying on the MCPS was fewer than in the past.

**C. Department Background**

The Montgomery County Public Schools (MCPS) operates a countywide system of public schools for students from pre-kindergarten through high school. For the 2025-26 school year (FY26), enrollment is 156,5111 students in pre-kindergarten classes through Grade 12 attend 211 separate public educational facilities.

More information on recent Education & Culture committee worksessions on MCPS topics can be found in the April 13, 2026, MCPS FY27 Operating Budget Worksession staff report [here](#).

## **D. MCPS Racial Equity and Social Justice**

A complete overview of MCPS RESJ initiatives can be found in the April 13, 2026, MCPS FY27 Operating Budget Worksession staff report linked above.

## **E. Budget Discussion Items**

Each of the priority areas mentioned in the executive summary will be discussed in greater detail below.

### **1. MCPS Staffing Overview**

**Position Changes:** The Board of Education's FY27 Operating Budget request includes 25,499.1385 FTEs, a net increase of .37% over the approved FY26 level as shown in Table 1 on the next page. Council staff notes the following:

- The largest net increase of FTEs is in the Instructional Support Category, an increase of 106.37. This increase is in conjunction with efforts to expand support for students receiving Special Education services and Pillar 4 requirements of Blueprint for Maryland's Future. Staffing associated with the Blueprint has increased over the past several years due to these requirements.
- The largest net decrease of FTEs is in the Teacher category (-129.9500). This is due to declining enrollment projections. The loss of FTEs in this category is somewhat offset by the introduction of the new staffing standards, which adds new FTEs to reduce class size.
- There is a net decrease of 58 FTEs and \$8.0 million across both schools and central services for the changes in the Title I, Title II, Individuals with Disabilities Education Act, and Carl D. Perkins grants that are received from the federal government. The decreases partially are offset by an increase in funding related to the opening of the fourth MCPS Judy Center Early Learning Hub at Galway Elementary School, as well as the Medical Assistance Program grants.
- Special Education Specialist positions have increased by 12.25 FTEs in FY26. In addition, MCPS requests an addition of 1185 FTE totaling \$12 million to allocate a Special Education Resource Teachers to most elementary schools and all learning centers and special schools to support the identification of students with disabilities and the implementation of the students' Individualized Education Plans. The allocations to elementary schools will be a .5 allocation to schools with 20 or more Special Education students and a 1.0 allocation schools with 60 or more Special Education students.

**Table 1: Staffing Changes by Position (FY25-FY27 BOE Proposed)**

Position	FY25	FY26	FY27 BOE Request	FY26-FY27 Change
Executive	20.0000	23.0000	23.0000	
Administrative	238.7500	276.7500	290.7500	14.0000
Business/Operations Administrator	100.5000	97.7500	95.7500	(2.000)
Other Professional	263.7000	260.5000	286.5000	26.0000
Principal/Assistant Principal	570.0000	573.0000	585.0000	12.0000
Teacher	12,195.2000	12,468.8000	12,339.8500	(128.9500)
Special Education Specialist	577.3000	589.7000	601.9500	12.2500
Media Specialist	205.0000	205.0000	205.40000	0.4000
Counselor	589.0000	597.5000	590.5000	(7.000)
Psychologist	135.5340	135.5340	135.5340	
Social Worker	81.000	81.000	81.000	
Pupil Personnel Worker	55.000	54.0000	53.0000	(1.0000)
Instructional Support	3,304.0773	3,822.3155	3,928.6855	106.3700
Secretarial/Clerical/Data Support	1,007.7500	1,002.0000	992.2500	(9.7500)
IT Systems Specialist	129.0000	133.0000	131.5000	(1.5000)
Security	286.6000	334.6000	362.6000	28.0000
Food Services	597.0730	599.9480	602.6980	2.7500
Building Services	1,533.5000	1,533.5000	1,537.5000	3.5000
Facilities Management/Maintenance	320.0000	338.0000	339.0000	1.0000
Supply/Property Management	53.5000	54.0000	60.5000	6.5000
Transportation	1,855.9210	1,865.4210	1,874.9210	9.5000
Other Support Personnel	329.1500	360.2500	370.2500	10.0000
<b>Total</b>	<b>24,447.6235</b>	<b>25,405.5957</b>	<b>25,499.1385</b>	<b>93.5428</b>

**2. Compensation and Benefits**

- a. **Salary and Wage Agreements and Impact on System:** Negotiated two-year agreements with bargaining units were approved by the Board of Education last year. The FY27 budget includes \$186 million for tax supported salary and benefit increases. All agreements with bargaining units include GWAs and service increments, as is shown in Table X. The agreements include longevity increases for eligible employees.

**Table 2: Summary of Board Requested FY27 Pay Increases**

Employee Group	General Wage Adjustment	Service Increment	FY26 Cost (tax supported)
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MCEA	3.25% (July 2026)	1-5%-5.5% (average of 3.5%)	\$121.3 million
SEIU	3.25% (July 2026)		\$49.5 million
MCAAP/MCBOA	3.25% (July 2026)	3.0%	\$15.3 million
<b>Total</b>			<b>\$186.1 million</b>

Table 3 summarizes the total compensation costs, including all salaries and wages as well as costs for employee benefits. The full breakdown of cost elements for the FY26 approved budget and the FY27 request is attached to (C)X-X. This summary and the attached documents represent tax supported positions and funding only, excluding grants and other funds.

**Table 3: MCPS Compensation Summary in Relation to Operating Budget**

	FY26 Approved	FY27 BOE Request	Change
Total Compensation Active and Retiree	\$2,868,532,218	\$3,018,838,392	\$150,306,174
Total Compensation Active Employees Only	\$2,854,851,881	\$2,995,158,055	\$140,306,174
Total Compensation as% of Total Operating Budget	86.10%	85.11%	

**b. Employee Benefit Plan**

**Table 4: FY26 and FY27 Requested Tax Supported Active Employee Group Insurance Costs**

Agency	FY26 Approved	FY27 Request	% Change, FY26-27
County Government	\$158.6 million	\$170.0 million	7.2%
MCPS	\$369.6 million	\$402.5 million	8.9%
Montgomery College	\$17.8 million	\$22.7 million	27.4%
M-NCPPC	\$21.0 million	\$22.6 million	7.2%
<b>Total</b>	<b>\$567.0 million</b>	<b>\$617.8 million</b>	<b>8.9%</b>

For FY27, MCPS is requested \$40 million dollars to reduce the structural deficit in the Employee Benefits Plan (EBP). This deficit has roots in a decision made by the Board to not fully fund the plan in FY23, combined with increases in health care claims and expenditures that have exceeded projections. This request is year 2 of a 4 year plan to close the deficit. MCPS anticipates an investment of \$70 million dollars in FY28, and \$40 million dollars in FY29. MCPS is largely self-insured and uses the EBP fund to pay for MCPS employee, retiree, and other covered member health care claims. Each year the EBP fund receives 'revenue' to pay claims expenditures. The funding for employee health benefits that MCPS requests and the Council appropriates each year as a part of Category 12 is the employer portion of annual health benefit costs. By depositing the funds in the EBP, MCPS spends these dollars to pay claims. Once the dollars are deposited into the EPB, they cannot be used for any other purpose, but do not have to be spent in the same fiscal year as they are deposited. It is not uncommon for actual expenditures to differ from projections, as annual rates and budgets are estimated based on the best available data available to the district at the time.

**Table 5: MCPS Group Insurance Premium Cost Share Changes for Retirees**

Plans	Current	Effective 1/2/27
Cigna w/ Care Management	37%	38%
Cigna w/o Care Management	44%	45%

In conjunction with their FY26 budget request, MCPS provided a multi-year EPB fund projection through FY28 - showing the both the active and retiree portions of the fund returning to a positive fund balance by FY28 as shown in Table 7 below.

**Table 6: MCPS EBP Fund Multi-Year Fund Balance Projections**

MCPS EBP Funds	FY25 Actuals	Projections			
		FY26	FY27	FY28	FY29
<b>Revenues</b>					
Active Employees	\$492,609,404	\$558,289,668	\$594,176,130	\$641,910,588	\$680,464,149
Retirees	\$197,449,108	\$203,383,623	\$216,382,108	\$239,793,578	\$263,686,034
Total	\$690,058,512	\$761,673,291	\$810,558,238	\$881,704,166	\$944,150,183
% Change	9.27%	10.38%	6.42%	8.78%	7.08%
<b>Expenditures</b>					
Active Employees	\$522,568,729	\$547,726,942	\$591,684,475	\$621,288,421	\$652,373,747
Retirees	\$190,886,437	\$204,951,681	\$228,293,056	\$239,711,308	\$251,700,689
Total	\$713,455,166	\$752,678,623	\$819,977,531	\$860,999,729	\$904,074,436
% Change	7.15%	5.50%	8.94%	5.00%	5.00%
<b>Actual Surplus/Loss</b>	(\$23,396,654)	\$8,994,668	(\$9,419,293)	\$20,704,437	\$40,075,747
<b>Year-End Fund Balance</b>	<b>FY25 Actuals</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>
Active Employees	(\$61,213,663)	(\$50,650,937)	(\$48,159,282)	(\$27,537,115)	\$553,287
Retirees	\$2,857,900	\$1,289,842	(\$10,621,106)	(\$10,538,836)	\$1,446,509
Total	(\$58,355,763)	(\$49,361,095)	(\$58,780,388)	(\$38,075,951)	\$1,999,796
% of Expenditures	-8.2%	-6.6%	-7.2%	-4.4%	0.2%

**3. Contractual Services**

- a. **MCPS Contractual Spending History and FY27 Estimates:** The tables below demonstrate the contractual services spending per year and the FY27 MCPS Contractual Services Spending should the proposed BOE budget be passed by the Council. A breakdown of the proposed Itemized Contractual Services Spending for FY27 can be found at © 63-66.

**Table 7: Contractual Services Spending by Fiscal year**

	Total Contractual Services Spending	MCPS Total Budget	Contractual % of Total MCPS Total Budget
FY24	\$80,079,361	\$3,165,007,511	2.5%
FY25	\$95,409,738	\$3,322,306,526	2.9%
FY26	\$110,005,318	\$3,655,244,116	3.01%
FY27 (proposed)	\$121,760,805	\$3,775,269,535	3.23%
<b>Change (FY26-FY27)</b>	<b>\$11,755,487</b>	<b>\$179,717,629</b>	<b>0.05%</b>

Council staff notes that the contractual obligations percentage in the FY27 proposed Operating Budget makes up an increased percentage (3.23%) of the proposed FY27 Operating Budget.

**Table 8: FY24, FY25 and FY26 MCPS Contractual Services Spending**

	Tax Supported	Non-Tax Supported
FY24	\$60.7 million	\$19.1 million
FY25	\$75.3 million	\$19.9 million
FY26	\$78.7 million	\$32.7 million
FY27 (Proposed)	\$89.9 million	\$31.7 million

**b. Contractual Services per Budget Category:** The Maryland State Department of Education Financial Reporting Manual governs the means of reporting all revenues and expenditures for Maryland school systems. The manual identifies object and sub-object codes. State law allows school systems to make transfers among the codes within categories, with the stipulation that they must report the object transfers to the County Council within 30 days. Contractual services is one of the object codes. The table below shows the budgeted level of contractual services for each State budget category for FY23 through the FY26 request.

**Table 9: MCPS Contractual Services per Budget Category FY23-FY27 (Proposed)**

Category	FY23	FY24	FY25	FY26	FY27 (Req)
1. Administration	\$21,012,109	\$22,414,194	\$21,481,000	\$23,853,000	\$22,615,307
2. Mid-level Administration	\$848,361	\$8,631,977	\$989,200	\$1,084,276	\$1,106,175
3. Instructional Salaries					
4. Textbooks and Instructional Supplies					
5. Other Instructional Costs	\$16,705,249	\$12,320,118	\$18,544,000	\$19,546,300	\$21,487,665
6. Special Education	\$3,139,763	\$9,141,554	\$13,486,291	\$8,550,005	\$12,754,0291
7. Student Personnel Services	\$15,025	\$15,025	\$90,205	\$87,700	
8. Health Services	\$2,154,673	\$3,187,611	\$4,180,359	\$855,000	\$850,000
9. Student Transportation	\$1,729,499	\$1,726,942	\$1,759,148	\$2,919,000	\$3,204,118
10. Operation of Plant and Equipment	\$7,836,984	\$10,242,561	\$11,293,125	\$12,177,000	\$16,482,501
11. Maintenance of Plant	\$4,991,341	\$6,339,407	\$9,697,580	\$9,566,500	\$11,374,456
12. Fixed Charges					
14. Community Services	\$308,072	\$388,411	\$140,000	\$65,270	\$80,000
Subtotal, including specific grants	\$58,741,076	\$69,169,516	\$95,120,000	\$93,909,539	

**4. Changes in FY26 Funding, Staffing, and Policy for School Safety**

Supporting campus safety continues to be a BOE priority for FY26 and is reflected in its proposed Operating Budget. The Council heard an update on Youth safety and Security on April 21, 2026. The Education & Culture Committee heard an update on this topic on March 14, 2025. The Board of Education heard updates on this topic on April 16, 2026, June 24, 2025, and January 9, 2025. The Joint Education and Culture and Public Safety Committee heard a presentation on this topic on October 24, 2024.

In alignment with the implementation of the Districtwide Safety & Security Plan, the FY27 budget requests a proposed increase in the amount of \$1,896,717 for the purposes of "Elementary School Based Security" and "Safe Routes to School Coordinator". These expenses encompass increase of 29 FTEs. Table 11 shows the breakdown of this cost increase.

**Table 10: School Safety Budget Items from FY27 BOE Proposed Operating Budget Summary**

	FTEs	Amount
Systemwide Safety: Elementary School Based Safety	28	\$1,724,664
Safe Routes to School Coordinator	1	\$172,053

The proposed school-based safety increase provides for 28 Security Assistant positions, who will work at elementary schools. The allocation of Security Assistants at elementary school is the continuation of a phased initiative to provide Security Assistants at all elementary schools. The plan is to add in each fiscal year:

- FY 26 - 28 FTEs
- FY 27 - 28 FTEs
- FY 28 - 28 FTEs
- FY 29 - 28 FTEs
- FY 30 - 25 FTEs

**Table 11: Security Assistant FY27 Allocations**

Security Assistant Staffing	FY24	FY25	FY26	FY27 (proposed)
Elementary	0.000	0.000	28.000	56.000
Middle	86.000	91.5000	99.000	99.000
High- Security Assistants	137.000	139.5000	147.000	147.000
High- Security Team Leader	25.000	25.000	25.000	25.000

This packet contains:

MCPS FY27 Budget Guide	©1-40
MCPS Monthly Financial report 4-9-2026	©41-52
MCPS FY26 Operating Budget Categorical Transfer Request	© 53-62
Contractual Services Budget by State Category - Fiscal Year 2027	© 63-66
Wages, Social Security, and Retirement Tax Supported Funds, FY26 Approved Budget and FY27 Request	© 67-69



**Agenda Item:** #1

**Date:** May 1, 2026

**Staff:** Doug Prouty, Senior Legislative Analyst  
Kristin Cummings, Legislative Analyst

**Subject:** FY26 Operating Budget – Montgomery County Public Schools (MCPS)

**Purpose:** Worksession – review and make recommendations (vote expected)

**Expected Attendees:**

- Essie McGuire, Chief of Staff
- Kimberly Fields, Chief Technology Office
- Andrea Swiatocha, Deputy Chief Facilities Management
- Allen Francois, Deputy Chief of Financial Oversight
- Carly Thompson, executive director, Division of Financial Oversight

**Executive Summary and Key Issues for Committee Review**

- **Overview of FY27 Operating Budget review structure.** Today, the Education and Culture Committee plans to hold its fourth worksession to review the Board of Education’s Requested FY27 [Operating Budget](#) for Montgomery County Public Schools (MCPS). Committee Chair Jawando has outlined the approach that the Committee will take to reviewing the budget request over the course of four scheduled Committee worksessions focusing on MCPS.

April 13	April 22	April 27	May 1
<ul style="list-style-type: none"> <li>• Overview</li> <li>• Fiscal Summary</li> <li>• Revenues and Expenditures/State Aid</li> <li>• Blueprint &amp; Community Schools</li> <li>• MOE</li> <li>• Fund Balance</li> <li>• RESJ Statements</li> </ul>	<ul style="list-style-type: none"> <li>• Equity Add-On (Differentiated School Allocation)</li> <li>• Special Education</li> <li>• EML</li> <li>• Staffing (New Staffing Standards)</li> <li>• Opening HS &amp; regional program implementation positions#</li> <li>• Summer School</li> <li>• Secondary Literacy Support &amp; Math Support</li> </ul>	<ul style="list-style-type: none"> <li>• Vacancies, Lapse, Recruitment</li> <li>• Contractual Services</li> <li>• Compensation</li> <li>• Benefits</li> <li>• Safety and Security</li> </ul>	<ul style="list-style-type: none"> <li>• Tech Mod</li> <li>• Relocatables</li> <li>• Updates and Follow-Up</li> <li>• Funding Recommendation</li> </ul>

- **Technology Modernization and other Current Revenue related CIP Projects.** The Committee will review the \$33.8 million funding request for the Tech Mod CIP project, which is primarily funded by current revenue and as such is reviewed in conjunction with MCPS’ operating budget.

- **Updates and Follow-Up.** Includes summaries of selected FY27 funding changes in the proposed MCPS budget that were not discussed as part of the three prior worksessions.
- **Funding Options.** Provides options for the Committee to consider when making its MCPS funding recommendation to the Council.

**A. Technology Modernization CIP Project**

The Technology Modernization (Tech Mod) project is a key component of the Montgomery County Public School 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 2025 appropriation was requested to continue this project and provide technology modernization to schools throughout the system, as well as to provide funding for the Mid-Atlantic Innovation Center (MAIC) space. The County Council, as part of the adopted FY2025-2030 CIP, removed all funding for the MAIC space, and increased expenditures in the out-years of the CIP to reflect a level of effort funding for this project. An FY 2027 appropriation is being requested for this level of effort project.

As part of his March adjustments to his FY27-32 CIP recommendations, for affordability reasons, the County Executive recommended cutting expenditures in FY27 by half (-\$16,925), with additional cuts in FY28-FY32 to bring expenditures closer to the FY26 approved expenditure level (\$27,248).

**Council Staff recommend preliminary support for the project as proposed by the Board pending final reconciliation.**

**Table 1.** Technology Modernization

	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
<b>FY25-30 Amended</b>	<b>168,496</b>	27,248	27,248	28,500	28,500	28,500	28,500		
<b>FY27-32 BOE Proposed</b>	<b>172,500</b>			33,850	30,350	26,280	27,340	27,340	27,340
change from approved	4,004			5,350	1,850	(2,220)	(1,160)		
percent change from approved	2.4%			18.8%	6.5%	-7.8%	-4.1%		
<b>FY27-32 CE Recommended</b>	<b>151,165</b>			16,925	27,248	25,248	27,248	27,248	27,248
change from amended	(17,331)			(11,575)	(1,252)	(3,252)	(1,252)		
percent change from amended	-10%			-40.6%	-4.4%	-11.4%	-4.4%		
change from BOE Proposed	(21,335)			(16,925)	(3,102)	(1,032)	(92)	(92)	(92)
percent change from BOE Proposed	-12.37%			-50.0%	-10.2%	-3.9%	-0.3%	-0.3%	-0.3%

## **B. Follow-up MCPS CIP projects:**

The following current-revenue funded projects were briefly discussed by the E&C Committee at its March 19 worksession. The Relocatable Classrooms request discussion was deferred pending receipt of a supplemental appropriation. However, MCPS has recently noted that it will not need a supplemental appropriation request this year.

The County Executive's March 13 CIP adjustments impacting several projects were not ready for discussion at the March 19 E&C meeting. Also, since these are current-revenue funded projects, they compete directly for the same expenditures for the MCPS Operating Budget and could be either recommended for approval (pending final CIP reconciliation) and/or have the FY27 proposed expenditures considered in the context of the Reconciliation List for the Operating Budget.

### **1. Facility Planning**

This project provides preliminary programs of requirements (PORs) and cost estimates for future capital projects, and other planning information (such as boundary studies). This project serves as the transition stage from the conceptual stage to inclusion of a stand-alone project in the CIP. There is a continuing need for the development of accurate cost estimates and an exploration of alternatives for proposed projects. Implementation of the facility planning process results in realistic cost estimates, fewer and less significant cost overruns, fewer project delays, and improved life-cycle costing of projects. In the past, this project was funded solely by current revenue; however, as a result of new environmental regulation changes, design of site development concept plans must be done during the facility planning phase in order to obtain necessary site permits in time for the construction phase. Therefore, the funding sources shown on this PDF reflect the appropriate portions for both current revenue and GO bonds.

An FY 2027 appropriation is being requested for any necessary contractors involving upcoming boundary studies, alternative financing models, and other districtwide planning initiatives.

The Board is requesting increases in the level of effort in this project in FY27 and FY28 to provide for an areawide elementary school boundary study expected to begin in 2026, with recommendations in 2028 or 2029 and implementation one year following. A feasibility study for a potential Public Private Partnership (P3) approach for the redevelopment of the MCPS headquarters at the Carver Educational Services Center (CESC) is also included in the FY27 and FY28 request.

As part of his March 13 CIP adjustments, the County Executive (within his MCPS Affordability Reconciliation project) recommended some funding switches for this project (switching some bond-funding to current revenue) based on the type of work being done. The Executive also recommended removal of the P3-related costs (\$2.5 million) as well as level of effort reductions in FYs29-32 (-\$350,000 each year). **Council Staff concur with the County Executive's funding switches but recommend supporting the Board's proposed expenditures at this time pending final CIP Reconciliation in mid-May.**

**Table 2. Facility Planning**

	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
<b>FY25-30 Amended</b>	<b>3,800</b>	1,350	1,050	350	350	350	350		
<b>FY27-32 BOE Proposed</b>	<b>13,000</b>			3,500	3,500	1,500	1,500	1,500	1,500
change from approved	9,200			3,150	3,150	1,150	1,150		
percent change from approved	242.1%			900.0%	900.0%	328.6%	328.6%		
<b>FY27-32 CE Recommended</b>	<b>9,100</b>			2,250	2,250	1,150	1,150	1,150	1,150
change from amended	5,300			1,900	1,900	800	800		
percent change from amended	139%			542.9%	542.9%	228.6%	228.6%		
change from BOE Proposed	(3,900)			(1,250)	(1,250)	(350)	(350)	(350)	(350)
percent change from BOE Proposed	-30.00%			-35.7%	-35.7%	-23.3%	-23.3%	-23.3%	-23.3%

**2. Materials Management Building Relocation**

This new project (\$13.1 million total project cost; all current revenue) provides for the interior construction for the new leased space for the Materials Management Building.

The MCPS Materials Management Warehouse serves the critical mission of storing and delivering necessary educational materials to all schools and offices. The building systems and infrastructure are beyond its life cycle. An FY 2023 appropriation was requested to begin the architectural design for this building relocation. However, due to fiscal constraints, the County Council removed all expenditures for this project as part of the adopted FY2023-2028 CIP. An FY2024 appropriation was approved to reinstate the funds removed in the adopted FY 2023-2028 CIP. A lease has recently been signed for a centralized warehouse that would consolidate multiple functions throughout the county, reducing delivery times and thousands of driving miles per year. An FY 2027 appropriation is being requested for the interior construction of the new warehouse.

As part of his March 13 adjustments to his FY27-32 CIP recommendations, for affordability reasons, the County Executive recommended zeroing out the new expenditures requested in FY27 and FY28 (total of \$10.6 million). MCPS would still have the \$2.5 million previously approved for this project.

**Council Staff recommend preliminary support for the project as proposed by the Board pending final reconciliation.**

**Table 3: Materials Management Building Relocation**

	Total	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
<b>FY25-30 Amended</b>	<b>2,500</b>	<b>2,500</b>	35	2,465						
<b>FY27-32 BOE Proposed</b>	<b>13,105</b>	<b>10,605</b>	35	2,465	8,400	2,205				
change from approved	10,605	8,105			8,400	2,205				
percent change from approved	424.2%	324.2%			n/a	n/a				
<b>FY27-32 CE Recommended</b>	<b>2,500</b>	<b>-</b>	35	2,465						
change from amended	-	(2,500)								
percent change from amended	0.0%	-100%								
change from BOE Proposed	(10,605)	(10,605)			(8,400)	(2,205)				
percent change from BOE Proposed	-80.9%	-100.00%			-100.0%	-100.0%				

**3. Relocatable Classrooms**

The Relocatable Classroom project (funded with current revenue) is typically funded through a supplemental appropriation in the spring to allow sufficient time for the school system to purchase, permit, and place units prior to the upcoming school year. MCPS has noted that it expects a reduction in the use of relocatable classrooms going forward because of a projected decline in enrollment and multiple boundary studies that should better balance school utilization across the county.

MCPS is requesting a gradually declining expenditure level in this project across the six-year period based on its projections of declining student enrollment over that time.

For its summer FY27 work, MCPS has indicated it will not be transmitting a supplemental appropriation request this spring (as it has in past years) as it will not need the appropriation in FY26 because of the reduced need for relocatable classrooms systemwide.

The County Executive did not recommend any changes to this project in his Recommended CIP transmittal. **Council Staff recommend approval of the project as proposed by the Board.**

**Table 4: Relocatable Classrooms**

	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
<b>FY25-30 Amended</b>	<b>30,000</b>	5,000	5,000	5,000	5,000	5,000	5,000		
<b>FY27-32 BOE Proposed</b>	<b>20,500</b>			4,500	4,000	3,500	3,500	2,500	2,500
change from approved	(9,500)			(500)	(1,000)	(1,500)	(1,500)		
percent change from approved	-31.7%			-10.0%	-20.0%	-30.0%	-30.0%		
<b>FY27-32 CE Recommended</b>	<b>20,500</b>			4,500	4,000	3,500	3,500	2,500	2,500
change from amended	(9,500)			(500)	(1,000)	(1,500)	(1,500)		
percent change from amended	-32%			-10.0%	-20.0%	-30.0%	-30.0%		
change from BOE Proposed	-			-	-	-	-	-	-
percent change from BOE Proposed	0.00%			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

### C. Updates and Follow-Up

This section provides a brief summary of selected FY27 enhancements included in the proposed MCPS budget request which were not reviewed during a prior Committee worksession.

**\$6,496,681 Division of Special Education: Non-Public Programs and Services:** Additional funds are required for the tuition for students served in nonpublic schools as result of a 7.5 percent increase in tuition as a result of the Teacher Parity Act, as well as based on a projected enrollment increase of 49 students, mainly in the School Aged Day program.

**\$3,707,396 Division of Technology Services (Central Services):** This allocation will be used towards Cybersecurity; HCM support; Project management support; and Contractual rate increases for core technology systems and services. More details can be found in an attachment at ©223-225

**\$4,017,551 Division of District Operations: Transportation (Central Services):** This budget enhancement would be used to hire Special Education Bus Attendants; provide Substitute Bus Driver support; increase bus repair funding and allocate for planning regional programs transportation. More details can be found in an attachment at ©226-227.

**\$1,614,495 Systemwide Additional Professional Training Day: SEIU: Phase One of Five:** this allocation reduces No Work/No Pay Days by 1 and provides additional training in instruction, safety, and operations.

**\$1,500,000 Systemwide Additional Professional Training Day: Instructional Staff:** Phase One of Two: this enhancement will increase district professional learning in Tier 1 instruction, Special Education services, and English language development.

**\$2,000,000 Professional Development:** This would provide funding for Staff training for Tier 1 Instruction, safety, and cultural proficiency.

### D. MCPS Expenditures and Priorities

As reviewed in prior worksessions, the Board’s requested expenditure changes for FY27 are organized into four areas as shown in the table below.

**Table 5. MCPS FY27 Budget Changes by Priority Area**

Funding Source	Amount	FTEs
Base Budget Reductions	(\$10,150,712)	(41)
Non-Discretionary Requirements	\$ 161,962,972	(68.5)
Blueprint from Maryland’s Future Requirements	\$ 12,165,532	16.1
Discretionary Expenditures	\$25,805,561	177.5
<b>Total</b>	<b>\$189,783,353</b>	<b>84.1</b>

The Superintendent has discussed MCPS’ operating budget priorities in a number of settings, most recently before the Education & Culture committee at the April 27 worksession. While final decisions on the MPCPS budget will be made by the Board based on the funding level appropriated by the Council, the Superintendent indicated that MCPS would likely focus first on changes within the Discretionary Expenditures category before looking at the Blueprint or Non-Discretionary categories if required to make reductions. Table 6 summarizes the **key items** in each category. More detail can be found in the MCPS complete [summary chart](#).

**Table 6:** MCPS Summary proposed budget (abridged)

Discretionary Expenditures (key items)	FTEs	Funding
Differentiated School Site Allocation: Equity Add-on		\$ 1,175,930
Menstrual Hygiene Products Allocation for Secondary Schools		104,100
Systemwide Safety: Elementary School Based Safety	28.0000	1,724,664
Special Education Resource Teachers	118.5000	12,015,948
Summer School		1,822,602
Secondary Literacy Support	12.0000	2,002,332
Special Education Behavioral Support	6.0000	1,001,166
Regional Programs Support	10.0000	922,815
Safe Routes to School Coordinator	1.0000	172,053
<b>Discretionary Subtotal</b> <i>*Some items are not included in this table. Please see the complete summary chart at ©--</i>	<b>177.5</b>	<b>\$25,805,561</b>
Blueprint Expenditures	FTEs	Funding
Pillar I - Early Childhood Education	8.1000	\$ 936,370
Pillar II - High Quality + Diverse Teachers + Leaders	5.0000	627,789
Pillar III - College + Career Readiness		1,705,120
Pillar IV - More Resources for Students to be Successful	3.0000	8,896,253
Pillar V - Governance + Accountability		
<b>Blueprint Subtotal</b>	<b>16.1000</b>	<b>\$ 12,165,532</b>
Non-Discretionary Expenditures*	FTEs	Funding
Restoration of Salary Lapse and Turnover Expense		<b>\$ (70,000,000)</b>
Compensation: MCEA		121,315,848
Compensation: SEIU Local 500		49,539,312
Compensation: MCAAP/MCBOA		15,336,902
Compensation: Stipend and Supplemental Increases		3,712,669
Benefits: Montgomery County Self Insurance Program		468,102
Benefits: Employee Health Benefits, Deficit Recovery		40,000,000
Benefits: FY 2026 Pension Shift from State to County		<b>(20,674,292)</b>
Schools: Enrollment Based Staffing (per existing guidelines)	<b>(505.325)</b>	<b>(48,335,384)</b>

Schools: Grant Reductions	(53.090)	(6,098,943)
Schools: Staffing Standards	420.8550	34,881,838
Schools: Non-Position Changes		7,195,277
New School Staffing: Woodward High School	3.0000	358,130
New School Staffing: Crown High School	3.000	358,130
Division of School Leadership and Improvement (Central Services)	3.225	(2,215,230)
Division of Teaching and Learning (Central Services)	5.0000	4,018,843
Division of Specialized Support Services (Central Services)	0.5278	565,653
Division of Special Education: Non-Public Programs and Services		6,496,681
Division of Equity and Organizational Development (Central Services)	(3.000)	1,697,676
Division of Technology Services (Central Services)	10.0000	3,707,396
Division of District Operations: Facilities (Central Services)	5.0000	6,908,737
Division of District Operations: Food Services (Central Services)	2.7500	306,870
<b>Total Non-Discretionary</b>	<b>(68.5)</b>	<b>\$161,962,972</b>

\*Some items are not included in this table. Please see the complete [summary chart](#).

### E. MCPS Funding Options for Committee Consideration

Today, the Committee will consider what level of FY26 funding for MCPS to recommend to the Council for consideration in the context of all agency expenditures and available revenues.

**Table 7: Proposed MCPS FY26 Funding by Source**

	<i><b>FY26 Current budget</b></i>	<i><b>FY27 Recmd. budget</b></i>	<i><b>FY27 Amended budget</b></i>	<i><b>FY27 Amended changes from Recmd. budget</b></i>	<i><b>FY27 Amended changes from Recmd. budget</b></i>
<b>Total Expenditures</b>	\$3,595,551,906	\$3,775,269,535	\$3,785,335,259	\$10,065,724	\$189,650,620
<b>Local Revenue</b>	2,338,642,338	2,518,569,521	2,518,238,360	(331,161)	179,596,022
<b>State Revenue</b>	1,035,333,822	1,040,931,649	1,051,328,534	10,396,885	15,994,712
<b>Federal</b>	107,326,170	98,699,188	98,699,188	-	(8,626,982)
<b>Other</b>	22,024,826	22,593,040	22,593,040	-	568,214
<b>Enterprise/Spec. Rev.</b>	92,224,750	94,476,137	94,476,137	-	2,251,387
<b>Total Revenue</b>	<b>\$3,595,551,906</b>	<b>\$3,775,269,535</b>	<b>\$3,785,335,259</b>	<b>\$10,065,724</b>	<b>\$189,783,353</b>

## Committee Funding Options

In alignment with the Council President’s budget approach memorandum, the section provides several MCPS funding options for Committee consideration. It includes an option to fully fund the Board’s request, as well as options to fund MCPS at varying levels below the Board’s request. The Council President’s budget approach memorandum stipulates that the amount to be considered for possible reductions is the requested local funding increase rather than the amount above the Maintenance of Effort level for FY27. The requested increase in local funding is \$ 179,596,022. The Committee could also consider a funding scenario that is not included below.

If the Council ultimately chooses to fund MCPS at a level below the Board’s request, it will be up to the Board to ultimately determine how to apply those reductions to the MCPS budget.

### Option 1: Fund at CE 3/15 Recommended Level

If it supports this option, the amount above the FY26 local funding level would be placed on the reconciliation list.

### Option 2. In increments of 10%, reduce funding above the FY26 local funding level from the CE 3/15 Recommended Level.

Each 10% reduction is equivalent to a decrease of \$17.9 million. A reduction of \$17.9 million would fund the BoE request at 99.525%. (Each \$17.9 reduction is the equivalent of .475% of the BoE request). The remaining amount above the FY26 local funding level would be placed on the reconciliation list.

## E. Summary of Committee Decision Points

Today, the Committee will consider what level of FY26 funding for MCPS to recommend to the Council for consideration in the context of all agency expenditures and available revenues.

### This packet contains:

March Amendments to the MCPS FY27-32 CIP (excerpts)	© 1-8
April Amendments to the MCPS FY27-32 CIP (excerpts)	© 9-20
EC Packet from 4-13-2026	© 21-54
EC Packet from 4-22-2026	© 55-143
EC Packet from 4-27-2026	© 144-222
MCPS Technology Services enhancement detail	©223-225
MCPS District Operations: Transportation enhancement detail	©226-227
CE Recommended FY27 Operating Budget	©228-235



## Superintendent's Proposed FY 2027 Operating Budget Tentatively Adopted by the Board of Education Montgomery County Public Schools

TABLE 1A

February 27, 2026

School District Revenue		FY 2027			
		Proposed	Table	Notes	
1	Federal	\$ 98,699,188	2	Exhibit A - Federal Revenues tied to the Operating Budget	
2	State	1,051,328,534	2	Exhibit B - State Revenues tied to the Operating Budget	
3	County	2,518,238,360	2	Exhibit C - County Revenues tied to the Operating Budget; Decrease of \$331,162 from the Superintendent's Proposed Budget	
4	Other Sources	22,593,040	2	Exhibit D - Fees collected, interest, and other local revenues tied to the Operating Budget	
5	Enterprise Funds/Special Revenue Funds	94,476,137	2	Exhibit E - Enterprise Funds to include Food and Nutrition, Real Estate Management, Field Trips, MCPS TV, etc	
6	<b>TOTAL REVENUE</b>	<b>\$ 3,785,335,259</b>			
School District Expenditures		FY 2027	FY 2027		
Base Budget changes		FTE	Total	Chptr	Notes
7	Prior Year Total Expenditures - FY 2026	25,405.5957	\$ 3,595,551,906		Exhibit 1 - Prior year (FY 26) Adopted Budget
8	Reductions to Central Services	(41.0000)	\$ (5,700,712)	All	Exhibit 2 - Reductions to Personnel
9	Reductions to Central Services Contracts		(4,450,000)	6	Exhibit 3 - Reductions to Contracted Services
10	<b>Adjustments to the Base Budget</b>	<b>(41.0000)</b>	<b>\$ (10,150,712)</b>		
11	<b>Adjusted Base Budget</b>	<b>25,446.5957</b>	<b>\$3,585,401,194</b>		
Non-Discretionary Requirements					
12	Restoration of Salary Lapse and Turnover Expense		\$ (70,000,000)	All	Flat Salary Lapse and Turnover / No Change (Future planned reductions of up to \$30M over three years)
13	Compensation: MCEA		121,315,848	All	Year Two of a Two Year Contract with MCEA: Average of 3.25% + Step
14	Compensation: SEIU Local 500		49,539,312	All	Year Two of a Two Year Contract with SEIU Local 500: Average of 3.25% + Step
15	Compensation: MCAAP/MCBOA		15,336,902	All	Year Two of a Two Year Contract with MCAAP / MCBOA: Average of 3.25% + Step
16	Compensation: Stipend and Supplemental Increases		3,712,669	All	Year Two of a Two Year Contract with Associations: Average of 3.25% + Step
17	Benefits: Montgomery County Self Insurance Program		468,102	7 & 10	Exhibit 4 - Increase in required contribution for the Montgomery County Self Insurance Program for FY 2027
18	Benefits: Employee Health Benefits, Deficit Recovery		40,000,000	10	Exhibit 5 - Year Two of Four (No net change from previous year due to one-time investment for cash flows last year); FY 28 - \$70M; FY 29 - \$40M
19	Benefits: FY 2026 Pension Shift from State to County		(20,674,292)	10	Exhibit 6 - Pension shift amount from the state to the County Government and local retirement contribution change based on actuarial assumptions
20	Schools: Enrollment Based Staffing (per existing guidelines)	(505.3250)	(48,335,384)	1	Exhibit 7A - School based staffing adj. based on proj. FY27 enrollment of 152,636 (Projected reduction of 4,956 students) - based on existing guidelines
21	Schools: Grant Reductions	(53.0900)	(6,098,943)	1	Exhibit 7B - Reduction of federal funding and reduction in enrollment
22	Schools: Staffing Standards	420.8550	34,881,838	1	Exhibit 7C - School based staffing increased to reduce class size based on new staffing standards (Phase one of five)
23	Schools: Non-Position Changes		7,195,277	1	Exhibit 7D - Non-Position supports; substitutes, materials, speech therapy, assistive technology, extracurricular activity stipends
24	New School Staffing: Woodward High School	3.0000	358,130	1	Exhibit 7E - Positions to get ready for opening the high schools in FY 2028
25	New School Staffing: Crown High School	3.0000	358,130	1	Exhibit 7F - Positions to get ready for opening the high schools in FY 2028
26	Division of School Leadership and Improvement (Central Services)	3.2250	(2,215,230)	2	Exhibit 8 - Reduction to Title I Central Services support; Increase in Early Childhood support
27	Division of Teaching and Learning (Central Services)	5.0000	4,018,843	3	Exhibit 9 - HS Curriculum ELA, K-12 Math (changes from state); EML training; Children's Opportunity Fund; Planning regional programs
28	Division of Specialized Support Services (Central Services)	0.5278	565,653	4	Exhibit 10 - Reorganization within Division of Specialized Support Services
29	Division of Special Education: Non-Public Programs and Services		6,496,681	4	Exhibit 11 - Rate change and enrollment growth
30	Division of Equity and Organizational Development (Central Services)	(3.0000)	1,697,676	5	Exhibit 12 - Shift Consulting Teachers, PGS Data Support from Federal Title II to local and to HRTM; Move Performance Matters from Schools to Org Dev
31	Division of Technology Services (Central Services)	10.0000	3,707,396	6	Exhibit 13 - Cybersecurity; HCM support; Project management support; Contractual rate increases for core technology systems and services
32	Division of District Operations: Facilities (Central Services)	5.0000	6,908,737	7	Exhibit 14 - New Schools/Spaces; Rate change adjustment for fire code; Contractual increases to leases
33	Division of District Operations: Food Services (Central Services)	2.7500	306,870	7	Exhibit 15 - Enterprise Fund: Adding summer support
34	Division of District Operations: Transportation (Central Services)	9.5000	4,017,551	7	Exhibit 16 - Special Education Bus Attendants; Substitute Bus Driver support; Bus repair increase; Planning regional programs
35	Transportation: Fuel (Central Services)		(1,101,048)	7	Exhibit 17 - Decrease in projected fuel cost / hedge
36	Division of District Operations: Utilities		3,708,156	7	Exhibit 18 - Rate changes for new schools/spaces, electricity, natural gas and water usage
37	Division of Human Resources & Talent Management (Central Services)	16.0000	2,008,493	9	Exhibit 19 - Shift Consulting Teachers from Federal Title II to local and from EOD; HCM support; Labor Relations support
38	Human Resources Compliance: ADA Support	1.0000	1,672,053	9	Exhibit 20 - ADA Compliance position; contractual and temporary part-time support for staff ADA accommodations
39	Division of Financial Management (Central Services)	9.0000	1,203,636	10	Exhibit 21 - Payroll support; Accounting support; Training for central and school based financial services staff
40	Divisions of Communications/Community Engagement (Central Services)	2.0000	585,033	11	Exhibit 22 - MPIA support; Communication support for schools; Family Engagement with Specialized Language support
41	Division of Legal Services (Central Services)	2.0000	324,883	12	Exhibit 23 - Legal support to reduce reliance on outside counsel; additional MPIA support; Professional Development
42	<b>Total Non-Discretionary Requirements</b>	<b>(68.5572)</b>	<b>\$ 161,962,972</b>		
Blueprint Expenditures					
43	Pillar I - Early Childhood Education	8.1000	\$ 936,370	1 & 2	Exhibit 24 - PreK Expansion and New Judy Center at Galway ES
44	Pillar II - High Quality + Diverse Teachers + Leaders	5.0000	627,789	1	Exhibit 25 - Five NBCT Lead Teachers (Teacher Career Ladder); AIB requirement per MOU
45	Pillar III - College + Career Readiness		1,705,120	1	Exhibit 26 - Dual Enrollment tuition and support
46	Pillar IV - More Resources for Students to be Successful	3.0000	8,896,253	3	Exhibit 27 - Additional Community School funding; rate increase for DIBELS Assessment to assess students' acquisition of early literacy skills in grades K-3
47	Pillar V - Governance + Accountability				No exhibit - no additional funds budgeted for FY27
48	<b>Blueprint Subtotal</b>	<b>16.1000</b>	<b>\$ 12,165,532</b>		
49	<b>Total Non-Discretionary Requirements with Blueprint</b>	<b>(52.4572)</b>	<b>\$ 174,128,504</b>		
Discretionary Expenditures					
50	Differentiated School Site Allocation: Equity Add-on		\$ 1,175,930	1	Exhibit 28
51	Menstrual Hygiene Products Allocation for Secondary Schools		104,100	1	Phase Two of Five: Increase for additional menstrual products
52	Systemwide Safety: Elementary School Based Safety	28.0000	1,724,664	1	Phase Two of Five: FY 26 - 45 FTEs; FY 27 - 28 FTEs; FY 28 - 28 FTEs; FY 29 - 28 FTEs; FY 30 - 25 FTEs
53	Special Education Resource Teachers	118.5000	12,015,948	1	1.0 FTE at Elementary Schools, Learning Centers, and Special Schools
54	Summer School		1,822,602	1	Increase footprint to include: 6 Regional in-person high schools; Middle School math and literacy program - instruction, transportation, food
55	Secondary Literacy Support	12.0000	2,002,332	3	Additional Cross Functional Team positions for Secondary Literacy - 1/Team
56	Special Education Behavioral Support	6.0000	1,001,166	4	Additional Cross Functional Team positions for behavioral support - 1/Region
57	Regional Programs Support	10.0000	922,815	3 & 9	School based personnel to plan for and support regional program model
58	Safe Routes to School Coordinator	1.0000	172,053	7	Support coordinating county and state agencies in reviewing and establishing safe routes to school
59	Systemwide Additional Professional Training Day: SEIU		1,614,945	All	Phase One of Five: Reduces No Work/No Pay Days by 1 / Additional training in instruction, safety, and operations
60	Systemwide Additional Professional Training Day: Instructional Staff		1,500,000	5	Phase One of Two: Increase district professional learning in tier 1 instruction; Special Education services; English language development
61	Project Management		250,000	12	Support for project management certification training for central services leaders and principals
62	Volunteer Coordinator	1.0000	166,861	11	Support volunteer work in the district by assisting with school volunteer coordination
63	Student Extracurricular Activities		593,716	1 & 7	New extracurricular activities for students at middle and high schools - Latin Dance, Robotics, Student Action Climate, Minority Scholars Program at ES
64	Board of Education: Program Audit Coordinator	1.0000	171,912	12	Provide audit services beyond existing footprint of financial audits; Expand to instructional programs; Reports directly to the Board of Education
65	Innovative Schools		(1,433,483)	1	Returning Arcola ES to a traditional school year calendar
66	Professional Development		2,000,000	5	Staff training for Tier 1 Instruction, safety, and cultural proficiency
67	<b>Total Discretionary Expenditures</b>	<b>177.5000</b>	<b>\$ 25,805,561</b>		
68	FY 26 Base Budget	25,405.5957	\$ 3,595,551,906		
69	Adjustments to the Base Budget - Reductions	(41.0000)	(10,150,712)		
70	Total Non-Discretionary Requirements	(68.5572)	161,962,972		
71	Total Blueprint Requirements	16.1000	12,165,532		
72	Total Discretionary Expenditures	177.5000	25,805,561		
73	<b>TOTAL PROPOSED OPERATING BUDGET</b>	<b>25,489.6385</b>	<b>\$ 3,785,335,259</b>		