



BALTIMORE CITY

PUBLIC SCHOOLS

Financial Update
FY20 Financial Summary Closeout
Presentation to the Baltimore City Council
October 15, 2020

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Table of Contents

- **Introductory Comments**
- **Closing the Gap**
- **FY 2020 General Fund Revenue**
- **FY 2020 General Fund Expenditures**
- **FY 2020 Summary of General Fund Revenues, Expenditures, and Uses**



Introduction

In early August, we estimated initial additional COVID costs of approximately \$131 million

Federal, State and local additional revenues available for these costs total approximately \$77 million; after repurposing FY20 and FY21 funds wherever possible, and estimating an application of \$16 million from FY20 close-out funds, a remaining FY21 gap of approximately \$21 million was estimated.

The approved FY21 Budget contained no COVID-related costs



Introduction, Continued

After closing FY20, City Schools was able to apply \$26 million toward COVID costs, bringing the remaining estimated gap down to approximately \$11 million

There are certain items and conditions that City Schools must have in place to ensure safe and successful schools for our children. These items include, but are not limited to:

- Clean, safe buildings for children and staff
- Ample supplies of PPE
- On-going connectivity, devices and support to address the digital divide

Newly Pledged Amounts, Not in Original FY21 Budget:

- \$9MM – Building Safety, Enhancements, Increased Cleaning
- \$8MM – PPE, Barriers, Safety Signage & Reminders
- \$9MM – Connectivity, Technology & Support



Closing the Gap

From the beginning (March, FY20) we have endeavored to save funds wherever possible

- Spending freeze
- Hiring freeze
- Reduced 3rd party contractor costs
- Re-negotiated transportation contracts

In FY21, we have continued to take multiple, prudent and proactive steps to adapt to our new reality and ensure financial stability and viability for FY21 and beyond

Examples of some recent actions:

- projected savings in Temps Category
- projected savings by repurposing grant funds to other allowable uses
- projected savings from hiring freeze



Preparing for the Future and Closing the Next Gap(s)

We are meeting the most immediate challenges

FY22 is shaping up to be very challenging for multiple, compounding reasons

As we completed the FY20 close out process, we took into consideration all of these longer-term needs of the system and the flexibility required to meet the needs of our students, staff, and community in FY21 and beyond

FY 2020 General Fund Revenue by Sources
as of June 30, 2020
(Expressed in Thousands)

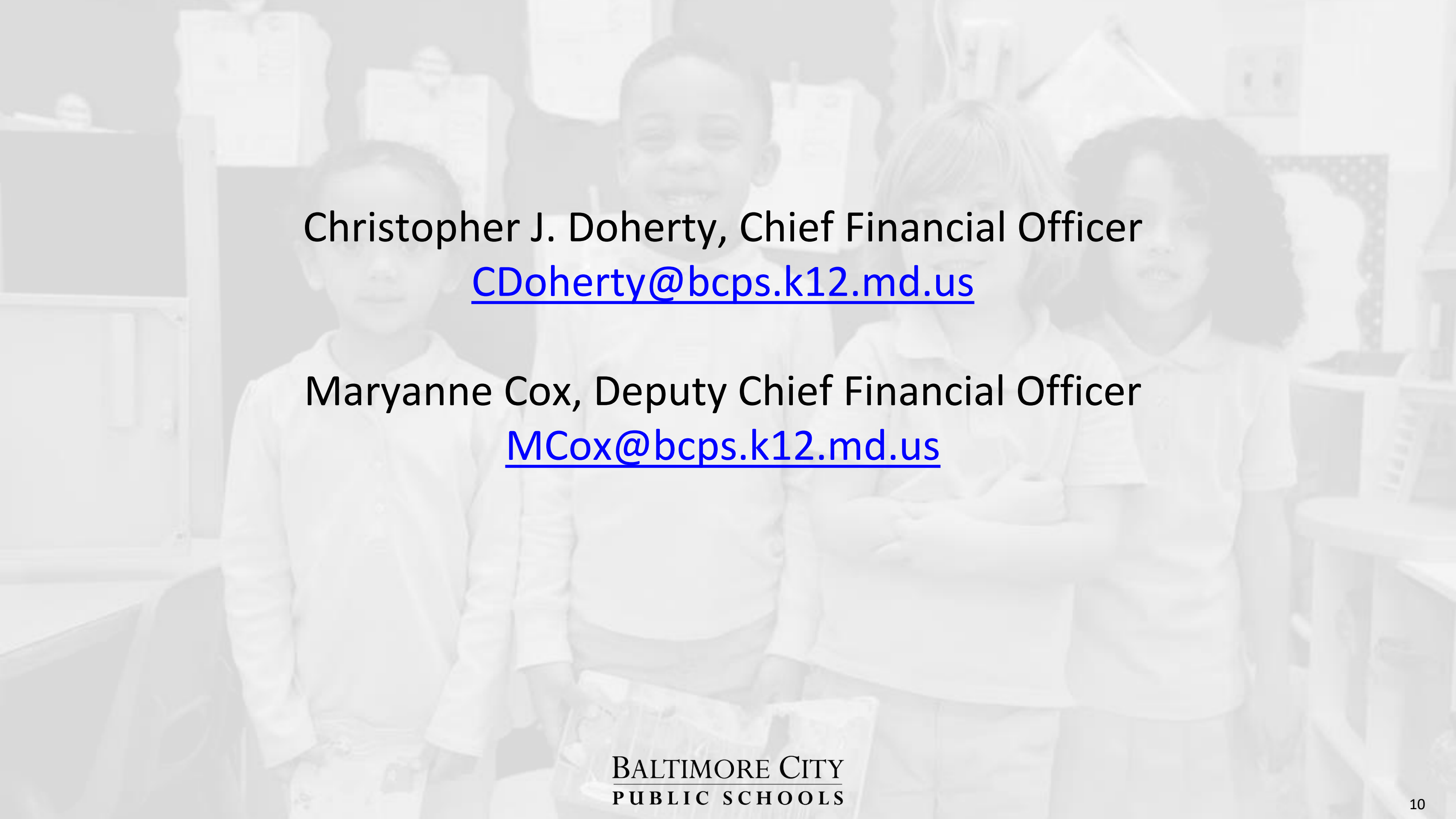
Source	Funding Budget	Actual Amount	Balance
State of Maryland	858,646	857,206	(1,440)
City of Baltimore	280,520	280,520	-
Federal Sources	5,400	2,850	(2,550)
Local Sources			
Interest earnings	250	7,092	6,842
Other Revenue	8,433	10,933	2,500
Other Financing Sources (Including Fund Balance Transfer)	22,000	22,000	-
Total Revenues & Other Financing Sources	1,175,249	1,180,601	5,352

FY 2020 General Fund Expenditures by Object
 Budgetary Basis including Debt Services
 as of June 30, 2020
 (Expressed in Thousands)

Source	FY2020 Budget	Actual Amount	Balance
Salaries and Wages	611,315	590,420	20,895
Fringe Benefits	231,241	214,178	17,063
Contractual Services	182,268	166,314	15,954
Material and Supplies	32,388	24,078	8,310
Utilities and Other Charges	65,537	55,795	9,742
Equipment	4,350	4,236	114
Debt Services	21,816	21,816	-
Transfers	26,333	24,526	1,806
Contingency Reserve	-	-	-
Total Expenditures	1,175,248	1,101,363	73,886

FY 2020 Summary of General Fund Revenues, Expenditures, and Uses (Expressed in Thousands)

	Description	Funding Budget	Actual Amount	Balance
Total Revenues		1,175,249	1,180,601	
Total Expenses		1,175,249	1,101,363	
Other Financing Sources FY 2021	Previously Board-approved amount of OFS for FY21		15,300	
Additional Encumbrances	Outstanding FY20 Purchase orders		4,596	
FY20 Food Services Losses			11,189	
Operating Results				48,153
Reserve for:				
Building Preparation, Cleaning, Safety, Enhancements	COVID health and safety items to support return to in-person learning		9,000	
PPE, Barriers, Signage	COVID health and safety items to support return to in-person learning ⁹		8,000	
Technology, Connectivity Support	COVID investments to ensure students and staff have necessary resources to learn		9,000	
Food Services	Supporting meal service during COVID response in FY21		19,500	
ERP System Increase	Increasing critical staffing support during the transition for district-wide systems		2,653	-
				48,153



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BALTIMORE CITY

PUBLIC SCHOOLS

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