

# Division of Operations – Budget Summary

## Overview of the Division

The purpose of the Division of Operations is to provide quality services that promote equity for all stakeholders enhancing the learning environment and academic achievement. Each program supports Equity in Action by ensuring the essential operational and logistical services needed to provide instruction are fully functioning.

The services of this Division are delivered through the following program's budgets:

- Chief Operating Officer
- School Construction
- School Planning
- Purchasing
- Logistics Center
- Office of Operations
- Use of Facilities
- Grounds Maintenance
- Custodial Services
- Student Transportation
- Utilities
- Energy Management
- Facilities Administration
- Building Maintenance
- Risk Management
- Emergency Planning and Response
- Security
- Environment
- Fleet Management
- Food and Nutrition Service

These services undergird the entire HCPSS by keeping the conditions of the classroom conducive to learning; transporting students to and from school safely and timely; procuring instructional goods and services; planning and implementing the capital program; providing food and nutritional services for all students; and maintaining safe, secure facilities and grounds for students, staff, and community.

These align with the following Strategic Call to Action outcomes:

- Transparent, open, and accessible communication helps to ensure that parents, guardians, and community members trust in the integrity of the school system and are active and valued partners.
- Operations and practices are responsive, transparent, fiscally responsible, and accountable, with students at the heart of all decisions.
- Organizational culture and climate are supportive and nurturing and provide a safe and healthy environment for all students and staff.

The Operations Division prides itself on delivering very high levels of service. However, division reductions in supply spending and staffing levels have caused concerns. The cumulative effect of these reductions impacts the quality of service levels and operational supports, downgrading the amount of annual maintenance/school requested systemic improvements and causing the conversion of a proper preventive maintenance program into a reactive maintenance program in some cases, which are detrimental to the upkeep of school facilities. While there have been some staffing adjustments made in recent budgets to manage this challenge, the additional budget reductions included in the FY 2025 budget will cause added impacts and the need for further adjustments in key areas of the division.

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## Summary of Major Budget Changes for FY 2025

HCPSS faces the financial pressures of a structural deficit due to declining revenues and increasing costs. The budget strategy for FY 2025 rethinks the development of this budget to manage the pressure the structural deficit places on the request for new funding. This was done to align with Board of Education and county requests to bring forward a budget that presents clear choices to reallocate funding from existing services to meet our fiscal obligations for FY 2025. As a result, while the budget includes an increase in funding for mandates, commitments, and priorities, reductions are included in program budgets to offset the overall growth of the budget.

The Division of Operations budget includes:

- Budget additions of \$13.4 million.
- Budget reductions of \$(5.9) million and (54.00) FTE positions.
- In total, the net changes to the budget are \$7.5 million more than the current FY 2024 approved budget and (54.00) less FTE positions.
- Year over year, the division's budget is increasing by 5.5 percent.

More specific information on these budget changes is explained in the sections below which is followed by schedules summarizing the division budget, budget additions and budget reductions by program.

### ***Budget Additions***

Budget additions are grouped as Mandates, Commitments, and Priorities.

- Mandates are budget changes necessary to meet a specific legal requirement. The mandated cost changes in this year's budget support the continued implementation of the Blueprint for Maryland's Future.
- Commitments are changes made in the budget to support the costs for existing obligations such as contracts and prior negotiated pay and benefits.
- Priorities represent those budget items to support existing policy, Superintendent or Board defined goals and objectives, and specific issues.

Sub-groupings for each of these are provided to summarize the budget dollars and positions included across programs and divisions. The Factors Influencing in the Executive Summary section of the budget book provides the combined summary of budget additions for all divisions and by state category.

A summary of budget additions by grouping is provided below.

The Division of Operations budget includes new budget cost additions of \$13.4 million.

### ***Commitments***

- \$(377,237) – Year-over-Year Personnel Cost Change. This adjustment will appear in all program budgets that have budgeted personnel. A complete explanation for these changes is included in the Factors Influencing and Summary of the Budget in the Executive Summary section of the budget book.

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- \$877,900 – financial obligations supporting an increase to insurance including liability, property, HCPSS vehicles, and school buses.
- \$9.0 million – Student Transportation bus contracts and inspections. Increases include prior negotiations with original contractors for deadhead mileage and an increase in nonpublic transportation.

### *Priorities*

- \$1.3 million –marker for negotiated employee compensation increases.
- \$2.6 million – facility utility operating expenses including water/sewer, gas/electric, and County water/sewer maintenance charges.
- \$6,000 – mileage reimbursement expense in lieu of the elimination of mileage stipends for managerial positions.

### ***Budget Reductions***

Each division budget includes reductions to offset the expenditure increases in this budget. For each division and its programs, these reductions are grouped as Programmatic School-Based and Programmatic Non-School-Based.

- Programmatic School-Based are budget reduction directly affecting the classroom and schools. The reductions are sub-grouped by certain programmatic areas and services to summarize where budget dollars and positions are being reduced across programs and divisions.
- Programmatic Non-School-Based are reductions to Central Office services and systemwide costs that support students, staff, and the operation of schools. These reductions are sub-grouped into reductions affecting personnel and non-personnel reductions.

The Factors Influencing and Summary of the Budget in the Executive Summary section of the budget book provides a combined summary of budget reductions by group and sub-group for all divisions and by state category.

A high-level overview of major reductions and the service impact(s) for the budget are shown below. The Division of Operations budget includes reductions of \$(5.9) million and (54.00) FTE positions.

### *Programmatic School-Based*

- \$(720,395) and (16.00) FTE positions – Program 7102 Custodial Services: Elimination of 16.00 Custodial
  - The loss of 16.00 custodial positions will increase the area of responsibility for each custodian, which is already beyond industry standard. Daily and scheduled tasks timing will increase, quality of work will be compromised, the general aesthetics of the facilities will decrease, and response times to challenges will increase. New standards will be consistent with level 4 cleaning.

### *Programmatic Non-School Based*

- \$(16,410) – Program 0201 Chief Operating Officer: Elimination of mileage stipend benefit for designated managerial positions, and a rebase of contracted services budget.

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- Impact: Creates need for funding increase for itemized mileage reimbursement of staff no longer receiving mileage stipend benefits.
- \$(119,750) and (1.00) FTE position – Program 0202 School Construction: Elimination of 1.00 HVAC Project Manager
  - Impact: Loss of 1.00 HVAC Project Manager eliminates a HVAC specific position and requires increased management workload for the other general project managers. HVAC specific review of projects will require assistance from other staff in Building Maintenance at a deeper level than currently provided, on top of their program budgetary impacts. Remaining program decreases will result in limitations of office processes.
- \$(574,984) and (2.00) FTE positions – Program 0205 Purchasing: Elimination of 1.00 Purchasing Specialist and 1.00 Purchasing Technician
  - Impact: Workload for the Purchasing Specialist will be shifted to remaining staff, timelines for Information for Bid (IFB)/Requests for Proposals (RFPs) will be increased, and delays in the general purchasing process will occur. Services related to the purchasing card program will be reduced or eliminated system wide with the elimination of the Purchasing Technician causing workload to shift to schools and staff.
  - Reduction in Classroom, Other, and Warehouse Supplies will limit the supplies and furniture available to schools at the beginning of the school year and throughout. Supplies currently in the warehouse will be used, however funding to replace the supplies and furniture will be impacted. School and teacher supply processes will be impacted.
- \$(212,802) and (1.00) FTE position – Program 0207 Office of Operations: Elimination of the program and sole Executive Director for the Division of Operations.
  - Impact: A reorganization of services will be required. Programs that did report to this position will now report directly to the Chief Operating Officer. Direct support services for the future Chief Operating Officer will be eliminated. Direct management and supervision of Use of Facilities will be impacted.
- \$(74,100) – Program 0212 School Planning: Primary elimination of contracted services.
  - Impact: Elimination of contracted services will eliminate services performed by contractors, including real estate investigation, redistricting support, and capacity methodology review.
- \$(879,132) and (1.00) FTE position – Program 6801 Student Transportation: Elimination of 1.00 Analyst
  - Impact: Reorganization of services to other transportation staff, which will impact data analytics. Response times to transportation options related to school start times and Policy 5200 adjustments, including financial impacts, will be increased. Reduction of program funds will limit program processes and impact process improvement efforts.
- \$62,226 and (1.00) FTE position – Program 7102 Custodial Services: Elimination of 1.00 Secretary
  - Impact: Reduction of the position eliminates the secretarial services for the office. The majority of the workload will be absorbed by the Accounting Assistant for the office with supplemental help from all Office of Custodial Services management. There will be longer response time on non-time sensitive, non-mission critical items. Examples include filing, WorkDay tasks, misc. reporting, uniform allocations, etc.
- \$(800) – Program 7202 Energy Management: Program supplies and subscription funds.
  - Impact: Limit of funding for program supplies will mean other programs may have to support.

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- \$(131,744) and (1.00) FTE position – Program 7301 Logistics Center: Elimination of 1.00 Clerk
  - Impact: Reorganization of workload to other staff, increased response time. Reduction in services including school packaging material, postage/shipping, storage ability to programs and schools (rented containers), reduction in building and equipment repair, reduction in service to support school activities, and reduction in timeliness of services requested.
- \$(87,074) and (1.00) FTE position – Program 7401 Risk Management: Elimination of 1.00 Secretary
  - Impact: Workload reorganization to remaining staff, reduction in response time including field trip requests.
- \$(211,478) – Program 7402 Environment: Elimination of (1.00) HVAC Assistant Manager and add 1.00 Secretary being realigned from Program 7401, Risk Management. (The position reduction and addition offset the FTE count in the summary table.)
  - Impact: Workload reorganization to manager and specialist, reduction in response time to reported issues. Secretary position transfer from 7401 to absorb some administrative duties. Reduction in services for testing, repair/remediation, sound or humidity monitoring, elimination of bottled water supply for Lisbon Elementary School. Potential for increase of IEQ reports or concerns.
- \$(26,800) – Program 7403 Emergency Preparedness and Response: Reduction in program funds.
  - Impact: Reduction in equipment repair including Lobby Guard devices.
- \$(255,255) and (2.00) FTE positions – Program 7404 Security: Elimination of 1.00 Security Investigator and 1.00 Security Assistant
  - Impact: Reduction of service and response time for investigator (supervisor) to school incidents, elimination of Security residency verification, and reorganization of supervisor and point of contact for police/fire personnel duties. Elimination or reduction of Security Assistant in one facility. Reduction in overtime will limit school assistants for after-hours events.
- \$(42,000) – Program 7601 Facilities Administration: Reduction in program funds.
  - Impact: Reduction in service for pest control. Limit ability to patch smaller pest access points and purchase of pest control devices.
- \$(1,221,436) and (13.00) FTE positions – Program 7602 Building Maintenance: Elimination of 1.00 Assistant Manager of Parts, 1.00 Leadman Carpenter, 1.00 Assistant Manager, 1.00 Secretary, 1.00 Boiler Burner Specialist, 2.00 Carpenters, 2.00 Preventive Maintenance Mechanics, 1.00 Journeyman Plumber, 1.00 HVAC Master Mechanic, 1.00 Electronics Technician, and 1.00 Electrician
  - Impact: Reduction of services, decrease in ability for requested services (building modifications, shelving), increase response time and time to complete requested work, delay in training for staff on new equipment/maintenance, reduce after-hours work resulting in increased impacts to schools or spaces in schools, and reorganization to necessities. Potential increase in property damage and remediation time which could impact school functionality.
- \$(1,002,674) and (13.00) FTE positions – Program 7801 Grounds Maintenance: Elimination of 1.00 Secretary, 1.00 Leadman Grounds, and 11.00 Grounds workers
  - Impact: Reduction in service, reduction in timeliness of service, increase in timing of repair services for fields, pathways, impact to field grooming and timing of G-Max safety testing for high school stadium fields, reduction in repair services to playgrounds (potential closure of equipment), and reorganization of tasks and timing of task affecting the aesthetics.

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- \$(221,210) and (2.00) FTE positions – Program 7802 Fleet Management: Elimination of 1.00 Leadman Mechanic, and 1.00 Mechanic/Bus Inspector
  - Impact: Reorganization of duties between remaining mechanics and management, reduction in timing of services, inspections continued to be outsourced, potential increase in cost of outsourced services.
- \$(1,800) – Program 9301 Use of Facilities: Reduction in Program Funds.
  - Impact: Limited supplies to operate the program. Because this program reports and coordinates directly with the Executive Director eliminated in Program 0207, Office of Operations, the program performance and response to outside organizations will also be impacted.

**Position Reduction List**

Division/Dept	Program	Classification Job Title	FTE Count
Operations	Building Maintenance-7602	ASSISTANT MANAGER	(2.00)
		BOILER BURNER SPECIALIST	(1.00)
		CARPENTER	(2.00)
		ELECTRICIAN	(1.00)
		ELECTRONICS TECHNICIAN	(1.00)
		HVAC MASTER MECHANIC	(1.00)
		LEADMAN CARPENTER	(1.00)
		MECHANIC PREVENTIVE MAINTENANCE	(2.00)
		SECRETARY	(1.00)
		PLUMBER JOURNEYMAN	(1.00)
	Custodial-7102	CUSTODIAN	(16.00)
		SECRETARY	(1.00)
	Environment-7402	ASSISTANT MANAGER	(1.00)
		SECRETARY	1.00
	Fleet Management-7802	LEADMAN MECHANIC	(1.00)
		MECHANIC	(1.00)
	Grounds Maintenance-7801	GROUNDS WORKER	(11.00)
		LEADMAN GROUNDS	(1.00)
		SECRETARY	(1.00)
	Logistics Center-7301	CLERK TYPIST	(1.00)
		EXECUTIVE DIRECTOR	(1.00)
	Office of Operations-0207	PURCHASING TECHNICIAN	(1.00)
		SPECIALIST	(1.00)
	Purchasing-0205	SECRETARY	(1.00)
		PROJECT MANAGER	(1.00)
	Risk Management-7401	OFFICER INVESTIGATION/SECURITY	(1.00)
School Construction-0202	SECURITY ASSISTANT	(1.00)	
	TRANSPORTATION ANALYST/PLANNER	(1.00)	
Security-7404			
Student Transportation-6801			
<b>Operations Total</b>			<b>(54.00)</b>

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SUMMARY OF FY 2025 REQUESTED BUDGET								
Program	Program Number	Approved Budget FY 2024	Total Additions	Total Reductions	Net Budget Changes FTE	Board of Education Requested FY 2025	\$ Change From FY 2024	% Change from FY 2024
Chief Operating Officer	0201	\$ 327,795	\$ (12,603)	\$ (16,410)	-	\$ 298,782	\$ (29,013)	-8.85%
School Construction	0202	862,537	50,024	(119,750)	(1.00)	792,811	(69,726)	-8.08%
Purchasing	0205	2,975,181	39,747	(574,984)	(2.00)	2,439,944	(535,237)	-17.99%
Office of Operations	0207	212,802	-	(212,802)	(1.00)	-	(212,802)	-100.00%
School Planning	0212	461,818	(9,816)	(74,100)	-	377,902	(83,916)	-18.17%
Student Transportation	6801	55,963,401	8,966,469	(879,132)	(1.00)	64,050,738	8,087,337	14.45%
Custodial Services	7102	25,689,732	392,265	(782,621)	(17.00)	25,299,376	(390,356)	-1.52%
Utilities	7201	15,038,583	2,554,543	-	-	17,593,126	2,554,543	16.99%
Energy Management	7202	2,820	-	(800)	-	2,020	(800)	-28.37%
Logistics Center	7301	1,981,873	63,663	(131,744)	(1.00)	1,913,792	(68,081)	-3.44%
Risk Management	7401	4,738,888	870,011	(87,074)	(1.00)	5,521,825	782,937	16.52%
Environment	7402	812,411	(29,315)	(211,478)	-	571,618	(240,793)	-29.64%
Emergency Preparedness and Response	7403	328,861	6,230	(26,800)	-	308,291	(20,570)	-6.25%
Security	7404	2,580,292	70,579	(255,255)	(2.00)	2,395,616	(184,676)	-7.16%
Facilities Administration	7601	1,067,763	28,647	(42,000)	-	1,054,410	(13,353)	-1.25%
Building Maintenance	7602	14,123,087	289,082	(1,221,436)	(13.00)	13,190,733	(932,354)	-6.60%
Grounds Maintenance	7801	4,016,239	84,410	(1,002,674)	(13.00)	3,097,975	(918,264)	-22.86%
Fleet Management	7802	2,451,136	15,858	(221,210)	(2.00)	2,245,784	(205,352)	-8.38%
Use of Facilities	9301	2,632,797	14,016	(1,800)	-	2,645,013	12,216	0.46%
<b>Operations Total</b>		<b>\$ 136,268,016</b>	<b>\$ 13,393,810</b>	<b>\$ (5,862,070)</b>	<b>(54.00)</b>	<b>\$ 143,799,756</b>	<b>\$ 7,531,740</b>	<b>5.53%</b>

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Requested FY 2025 Budget Changes									FY 2025 Requested	
Program	Program Number	Commitments			Priorities				Total Additions	Total Additions FTE
		Year over Year Personnel Cost Change	Financial Obligations	Student Transportation	Employee Compensation	Facilities	Other			
Chief Operating Officer	0201	\$ (16,649)	\$ -	\$ -	\$ 2,046	\$ -	\$ 2,000	\$ (12,603)	\$ -	
School Construction	0202	22,346	-	-	25,678	-	2,000	50,024	-	
Purchasing	0205	7,461	-	-	32,286	-	-	39,747	-	
Office of Operations	0207	-	-	-	-	-	-	-	-	
School Planning	0212	(20,956)	-	-	11,140	-	-	(9,816)	-	
Student Transportation	6801	(112,395)	-	9,005,898	72,966	-	-	8,966,469	-	
Custodial Services	7102	(364,931)	-	-	757,196	-	-	392,265	-	
Utilities	7201	-	-	-	-	2,554,543	-	2,554,543	-	
Energy Management	7202	-	-	-	-	-	-	-	-	
Logistics Center	7301	25,448	-	-	38,215	-	-	63,663	-	
Risk Management	7401	(3,716)	867,000	-	6,727	-	-	870,011	-	
Environment	7402	(38,390)	-	-	9,075	-	-	(29,315)	-	
Emergency Preparedness and Response	7403	2,848	-	-	3,382	-	-	6,230	-	
Security	7404	24,345	-	-	44,234	-	2,000	70,579	-	
Facilities Administration	7601	(457)	10,900	-	18,204	-	-	28,647	-	
Building Maintenance	7602	93,951	-	-	195,131	-	-	289,082	-	
Grounds Maintenance	7801	3,415	-	-	80,995	-	-	84,410	-	
Fleet Management	7802	(5,969)	-	-	21,827	-	-	15,858	-	
Use of Facilities	9301	6,412	-	-	7,604	-	-	14,016	-	
<b>Operations Total</b>		<b>\$ (377,237)</b>	<b>\$ 877,900</b>	<b>\$ 9,005,898</b>	<b>\$ 1,326,706</b>	<b>\$ 2,554,543</b>	<b>\$ 6,000</b>	<b>\$ 13,393,810</b>	<b>-</b>	



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BUDGET REDUCTIONS		Requested FY 2025 Budget Changes						FY 2025 Requested	
		Programmatic-School Based			Programmatic-Non School Based			Total Reductions	Total Reductions FTE
Program	Program Number	Custodial	Custodial FTE	Personnel	Personnel FTE	Non-Personnel			
Chief Operating Officer	0201	\$ -	-	\$ -	-	\$ (16,410)	\$ (16,410)	-	
School Construction	0202	-	-	(107,100)	(1.00)	(12,650)	(119,750)	(1.00)	
Purchasing	0205	-	-	(197,984)	(2.00)	(377,000)	(574,984)	(2.00)	
Office of Operations	0207	-	-	(212,177)	(1.00)	(625)	(212,802)	(1.00)	
School Planning	0212	-	-	-	-	(74,100)	(74,100)	-	
Student Transportation	6801	-	-	(64,260)	(1.00)	(814,872)	(879,132)	(1.00)	
Custodial Services	7102	(720,395)	(16.00)	(62,226)	(1.00)	-	(782,621)	(17.00)	
Utilities	7201	-	-	-	-	-	-	-	
Energy Management	7202	-	-	-	-	(800)	(800)	-	
Logistics Center	7301	-	-	(81,744)	(1.00)	(50,000)	(131,744)	(1.00)	
Risk Management	7401	-	-	(76,274)	(1.00)	(10,800)	(87,074)	(1.00)	
Environment	7402	-	-	(70,553)	-	(140,925)	(211,478)	-	
Emergency Preparedness and Response	7403	-	-	-	-	(26,800)	(26,800)	-	
Security	7404	-	-	(181,743)	(2.00)	(73,512)	(255,255)	(2.00)	
Facilities Administration	7601	-	-	-	-	(42,000)	(42,000)	-	
Building Maintenance	7602	-	-	(1,074,968)	(13.00)	(146,468)	(1,221,436)	(13.00)	
Grounds Maintenance	7801	-	-	(786,043)	(13.00)	(216,631)	(1,002,674)	(13.00)	
Fleet Management	7802	-	-	(124,440)	(2.00)	(96,770)	(221,210)	(2.00)	
Use of Facilities	9301	-	-	-	-	(1,800)	(1,800)	-	
<b>Operations Total</b>		<b>\$ (720,395)</b>	<b>(16.00)</b>	<b>\$ (3,039,512)</b>	<b>(38.00)</b>	<b>\$ (2,102,163)</b>	<b>\$ (5,862,070)</b>	<b>(54.00)</b>	