

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 and work environment and academic and professional achievement. Each program provides services that ensure the essential operational and logistical services needed to support instruction and the work environment are delivered to students and employees.

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

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

The Division of Operations for Howard County Public School System (HCPSS) operates 79 public education facilities, and 3 administrative office buildings comprised of approximately 9 million gross square feet of space. The HCPSS portfolio serves over 57,000 students, and over 9,000 teachers and staff. The Division of Operations is charged with the operations and maintenance of HCPSS assets as well as planning for renovations and new construction through facility planning, design, and construction related activities. Additional services include providing food and nutrition services, student transportation, organizational logistics support, fleet management services, and administering school system environmental, energy resource conservation and use of facility programs.

To carry out this charge, departments within the Division of Operations manage Comprehensive Maintenance Program (CMP) and Education Facilities Masterplan (EFMP) programs that are designed to align internal resources with outsourced management services. Programs are structured to ensure school facilities and grounds are kept in a state of good repair. Additionally, federal, state, and local requirements are met ensuring that students are safely transported to schools, programs, and extra-curricular activities and are fed nutritional meals in accordance with established guidelines.

Facilities, building systems, equipment, and vehicles can reach the point where repair and maintenance are no longer cost effective and full replacement is needed. When this occurs, requirements are identified for inclusion in the HCPSS Capital Improvement Program (CIP). The CIP is designed to address life and safety requirements, provide building occupants with a safe and healthy learning environment.

The procurement of contracted services, supplies and materials, and the deployment of internal staffing resources, are managed within the fiscal parameters and authority set under the school system's operating budget. All services are organized and delivered for the purpose of supporting the needs of students, staff, and programs throughout the Howard County public school community.

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Summary of Major Budget Changes for FY 2026

The budget for the Division of Operations is increasing by a total of \$29.8 million or 22.47 percent compared to the FY 2025 budget. This total change is for budget additions and budget realignments. The amount of change for each is:

- Budget additions equal \$11.4 million, an increase of 8.59 percent.
- Budget realignments equal \$18.4 million.

More specific information on these budget changes is explained below which are followed by schedules summarizing the Division budget and changes by program.

Budget changes are grouped as Mandates, Commitments, Priorities and Realignments.

- 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.
- Realignments represent transfer of funds between programs, state categories and/or spend categories to support existing requirements. Realignments are budget neutral, although there can be significant changes between programs and accounts. The FY 2026 budget includes a significant movement of budget authority for budgetary realignments that have been done for three purposes:
 - Realignments to meet Blueprint Minimum School Fund reporting requirements. For FY 2026, employee benefits (Social Security, Medicare, pension, and health insurance) have been realigned from the Fixed Charges budget (Program 8001) into each program budget. As a result, all program budgets with positions will show a significant increase in budget reflecting the cost of the employee benefits in the program.
 - Realignments for the Superintendent's reorganization of divisions and programs done in July 2025.
 - Realignments of existing budget authority to meet budgetary needs and properly classify expenditures by state category, division, program, and/or account.

Budget additions for Mandates, Commitments, Priorities, and Realignments are sub-grouped for clearer understanding of the reason(s) for the budget changes in the division and programs. Each division summary section provides a narrative explanation of budget changes and schedules that present the changes in budget dollars and full-time equivalent (FTE) positions from the current budget. The Factors Influencing and Summary of the Budget in the Executive Summary section of the budget book provides the combined summary of budget changes for all divisions and by state category.

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A summary of budget changes for this division is provided below.

Commitments

- \$3,704 – Benefit costs for the reclassification of Preventative Maintenance Mechanics.
- \$5,307,340 – Contracted specialized bus transportation increases based on historical trends and increased enrollment for students with special needs.
- \$1,210,000 – Contracted bus transportation increases related to the implementation of Policy 5200, which decreases the walk zone for schools.
- \$81,297 – Contractual increases in lease agreements for the Logistics Center and the Stanford Building.
- \$800,700 – Health Insurance cost increases based on preliminary actuarial estimates.
- \$30,091 – Reclassification of Preventative Maintenance Mechanics.
- \$227,711 – Estimated change in retirement costs for Division of Operations positions.
- \$1,609,229 – Estimated increase in utilities based on projected rate increases and usage.
- \$229,173 – 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 in the Executive Summary section of the budget book.

Priorities

- \$1,700,446 – Placeholder for employee compensation increases subject to collective bargaining.
- \$210,000 – Estimated increase for the trash and recycling contract, based on the expiration of the current contract in FY 2025 and the projected increase in rates under the new contract to be issued.

Realignments

- \$18,323,649 – Realignment of Employee Health Insurance, Social Security, Medicare, and Retirement from Fixed Charges to the programs in the Division of Operations.
- \$106,000 – Realignment of Howard County Community College shuttle services from Postsecondary Access (2802) program to Student Transportation (6801) program.

Summary schedules of these changes are presented in the following pages.

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SUMMARY OF FY 2026 PROPOSED BUDGET										
Program	Program Number	Approved Budget FY 2025	Total Additions	Total Realignments	Net Budget Changes	Net Budget Changes FTE	Superintendent Proposed FY 2026	\$ Change From FY 2025	% Change from FY 2025	
Chief Operating Officer	0201	\$ 302,228	\$ 48,427	\$ 92,205	\$ 140,632	-	\$ 442,860	\$ 140,632	46.53%	
School Construction	0202	815,665	60,254	253,872	314,126	-	1,129,791	314,126	38.51%	
School Planning	0212	381,376	23,702	103,393	127,095	-	508,471	127,095	33.33%	
Student Transportation	6801	64,106,852	6,704,162	999,431	7,703,593	-	71,810,445	7,703,593	12.02%	
Custodial Services	7102	25,512,828	1,885,852	12,113,672	13,999,524	-	39,512,352	13,999,524	54.87%	
Utilities	7201	16,493,126	1,609,229	1,652,640	3,261,869	-	19,754,995	3,261,869	19.78%	
Energy Management	7202	2,020	-	-	-	-	2,020	-	0.00%	
Logistics Center	7301	1,925,960	167,029	461,107	628,136	-	2,554,096	628,136	32.61%	
Environment	7402	578,620	15,350	100,212	115,562	-	694,182	115,562	19.97%	
Facilities Administration	7601	1,070,676	46,762	182,802	229,564	-	1,300,240	229,564	21.44%	
Building Maintenance	7602	13,258,086	466,360	3,180,792	3,647,152	-	16,905,238	3,647,152	27.51%	
Grounds Maintenance	7801	3,522,925	301,280	1,329,328	1,630,608	-	5,153,533	1,630,608	46.29%	
Fleet Management	7802	2,200,595	49,626	239,450	289,076	-	2,489,671	289,076	13.14%	
Use of Facilities	9301	2,651,810	31,658	(2,279,255)	(2,247,597)	-	404,213	(2,247,597)	-84.76%	
Operations Total		\$132,822,767	\$ 11,409,691	\$ 18,429,649	\$ 29,839,340	-	\$ 162,662,107	\$ 29,839,340	22.47%	

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SUMMARY OF FY 2026 BUDGET CHANGES BY PROGRAM AND SUMMARY GROUPINGS											
General Fund		0201		0202		0212		6801		7102	
PROGRAMS		Chief Operating Officer		School Construction		School Planning		Student Transportation		Custodial Services	
		FTE		FTE		FTE		FTE		FTE	
COMMITMENTS	Benefit Cost-New Positions	-	-	-	-	-	-	-	-	-	1,331
	Bus Contracts-Obligated Increase	-	-	-	-	-	-	5,307,340	-	-	-
	Bus Contracts-Walk Zone	-	-	-	-	-	-	1,210,000	-	-	-
	Contractual Obligation	-	-	-	-	-	-	-	-	-	-
	Health Insurance	2,545	-	8,269	-	3,817	-	29,262	-	-	552,798
	Reclassifications	-	-	-	-	-	-	-	-	-	10,816
	Retirement	1,889	-	6,878	-	1,924	-	25,680	-	-	109,587
	Utilities	-	-	-	-	-	-	-	-	-	-
	Year over Year Personnel Cost Change	35,820	-	13,879	-	1,206	-	22,520	-	-	(28,188)
	Subtotal Commitments	40,254	-	29,026	-	6,947	-	6,594,802	-	-	646,344
PRIORITIES											
	Employee Compensation	8,173	-	31,228	-	16,755	-	109,360	-	-	1,029,508
	Facilities and Maintenance	-	-	-	-	-	-	-	-	-	210,000
Subtotal Priorities	8,173	-	31,228	-	16,755	-	109,360	-	-	1,239,508	-
SUBTOTAL BUDGET ADDITIONS											
	48,427	-	60,254	-	23,702	-	6,704,162	-	-	1,885,852	-
Budget Realignments											
	92,205	-	253,872	-	103,393	-	999,431	-	-	12,113,672	-
DIVISION TOTAL											
	140,632	-	314,126	-	127,095	-	7,703,593	-	-	13,999,524	-

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SUMMARY OF FY 2026 BUDGET CHANGES BY PROGRAM AND SUMMARY GROUPINGS											
General Fund		7201		7202		7301		7402		7601	
PROGRAMS		Utilities	FTE	Energy Management	FTE	Logistics Center	FTE	Environment	FTE	Administration	FTE
COMMITMENTS	Benefit Cost-New Positions	-	-	-	-	-	-	-	-	-	-
	Bus Contracts-Obligated Increase	-	-	-	-	-	-	-	-	-	-
	Bus Contracts-Walk Zone	-	-	-	-	-	-	-	-	-	-
	Contractual Obligation	-	-	-	-	70,197	-	-	-	11,100	-
	Health Insurance	-	-	-	-	18,766	-	3,817	-	6,361	-
	Reclassifications	-	-	-	-	-	-	-	-	-	-
	Retirement	-	-	-	-	10,327	-	2,483	-	4,454	-
	Utilities	1,609,229	-	-	-	-	-	-	-	-	-
	Year over Year Personnel Cost Change	-	-	-	-	15,974	-	(4,027)	-	3,476	-
	Subtotal Commitments	1,609,229	-	-	-	115,264	-	2,273	-	25,391	-
PRIORITIES											
Subtotal Priorities	Employee Compensation	-	-	-	-	51,765	-	13,077	-	21,371	-
	Facilities and Maintenance	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	51,765	-	13,077	-	21,371	-
SUBTOTAL BUDGET ADDITIONS											
		1,609,229	-	-	-	167,029	-	15,350	-	46,762	-
	Budget Realignments	1,652,640	-	-	-	461,107	-	100,212	-	182,802	-
DIVISION TOTAL		3,261,869	-	-	-	628,136	-	115,562	-	229,564	-

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SUMMARY OF FY 2026 BUDGET CHANGES BY PROGRAM AND SUMMARY GROUPINGS									
General Fund		7602	7801	7802	9301				
PROGRAMS		Building Maintenance	FTE	FTE	FTE	Use of Facilities	FTE	Total	Total FTE
COMMITMENTS	Benefit Cost-New Positions	2,373	-	-	-	-	-	3,704	-
	Bus Contracts-Obligated Increase	-	-	-	-	-	-	5,307,340	-
	Bus Contracts-Walk Zone	-	-	-	-	-	-	1,210,000	-
	Contractual Obligation	-	-	-	-	-	-	81,297	-
	Health Insurance	106,871	-	55,980	-	3,308	-	800,700	-
	Reclassifications	19,275	-	-	-	-	-	30,091	-
	Retirement	40,823	-	15,576	-	1,988	-	227,711	-
	Utilities	-	-	-	-	-	-	1,609,229	-
	Year over Year Personnel Cost Change	36,463	-	107,550	-	13,392	-	229,173	-
	Subtotal Commitments	205,805	-	179,106	-	18,688	-	9,499,245	-
PRIORITIES	Employee Compensation	260,555	-	122,174	-	23,510	-	1,700,446	-
	Facilities and Maintenance	-	-	-	-	-	-	210,000	-
Subtotal Priorities		260,555	-	122,174	-	23,510	-	1,910,446	-
SUBTOTAL BUDGET ADDITIONS		466,360	-	301,280	-	49,626	-	11,409,691	-
Budget Realignments		3,180,792	-	1,329,328	-	239,450	-	18,429,649	-
DIVISION TOTAL		3,647,152	-	1,630,608	-	289,076	-	29,839,340	-