

ELEMENTARY AND SECONDARY EDUCATION

FY 2012 Revised and FY 2013
Operating and Capital Budgets
Staff Presentation
March 15, 2012

SUMMARY BY PROGRAM

| (in millions) | Enacted | FY 2012 Gov. Rev. | FY 2013 Gov. |
|----------------------|------------------|------------------------------|-------------------------|
| Aid Programs | \$869.2 | \$869.8 | \$934.9 |
| Operations | 257.8 | 275.1 | 253.1 |
| School for the Deaf | 6.8 | 7.2 | 7.0 |
| Total | \$1,133.9 | \$1,152.2 | \$1,195.0 |

SUMMARY BY PROGRAM

| Change to Enacted (in millions) | FY 2012 Gov. Rev. | FY 2013 Gov. |
|--|------------------------------|-------------------------|
| Aid Programs | \$0.6 | \$65.7 |
| Operations | 17.3 | (4.8) |
| School for the Deaf | 0.4 | 0.2 |
| Total | \$18.3 | \$61.2 |

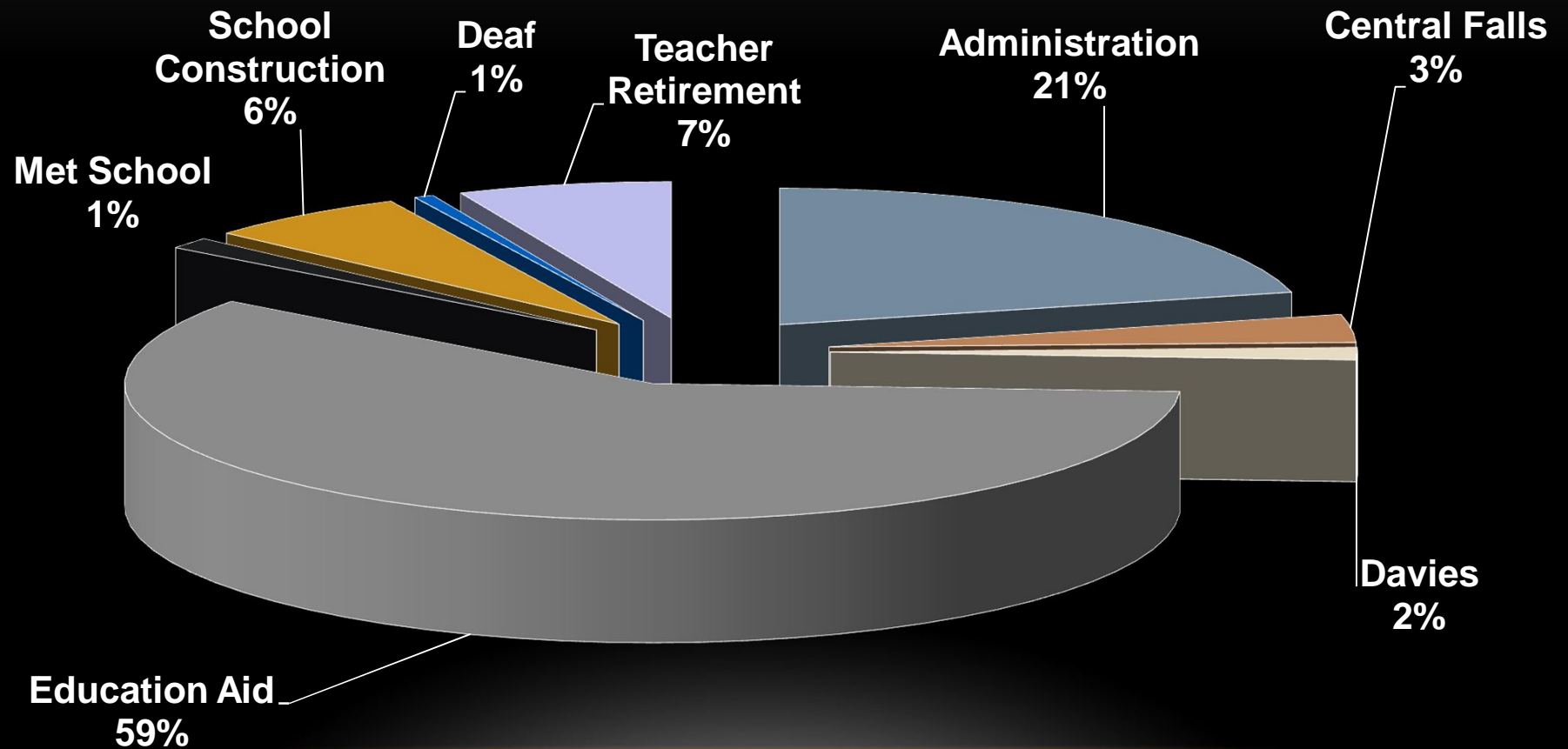
SUMMARY BY FUND SOURCE

| (in millions) | Enacted | FY 2012 Gov. Rev. | FY 2013 Gov. |
|----------------------|------------------|------------------------------|-------------------------|
| General Revenues | \$863.1 | \$862.8 | \$932.1 |
| Federal | 238.1 | 252.8 | 230.0 |
| Restricted Receipts | 26.3 | 27.0 | 26.5 |
| Other Funds | 6.3 | 9.6 | 6.5 |
| Total | \$1,133.9 | \$1,152.2 | \$1,195.0 |

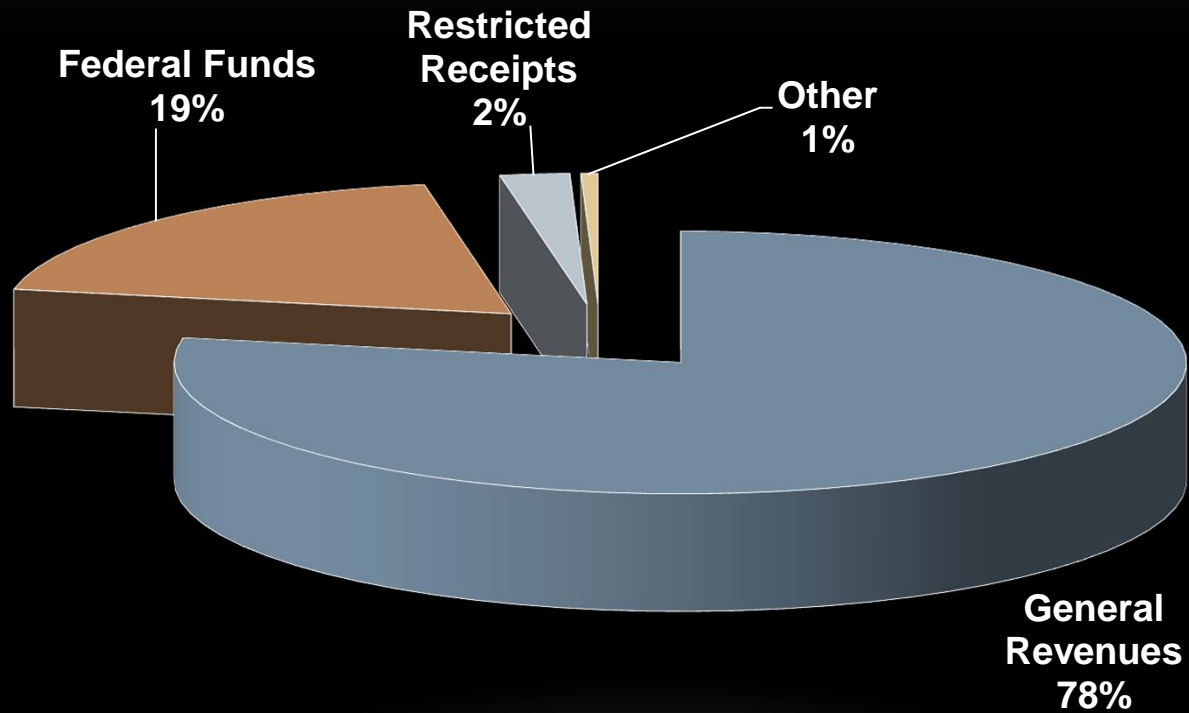
SUMMARY BY FUND SOURCE

| Change to enacted (in millions) | FY 2012 Gov. Rev. | FY 2013 Gov. |
|--|------------------------------|-------------------------|
| General Revenues | (\$0.3) | \$69.0 |
| Federal | 14.7 | (8.1) |
| Restricted Receipts | 0.7 | 0.2 |
| Other Funds | 3.2 | 0.1 |
| Total | \$18.3 | \$61.2 |

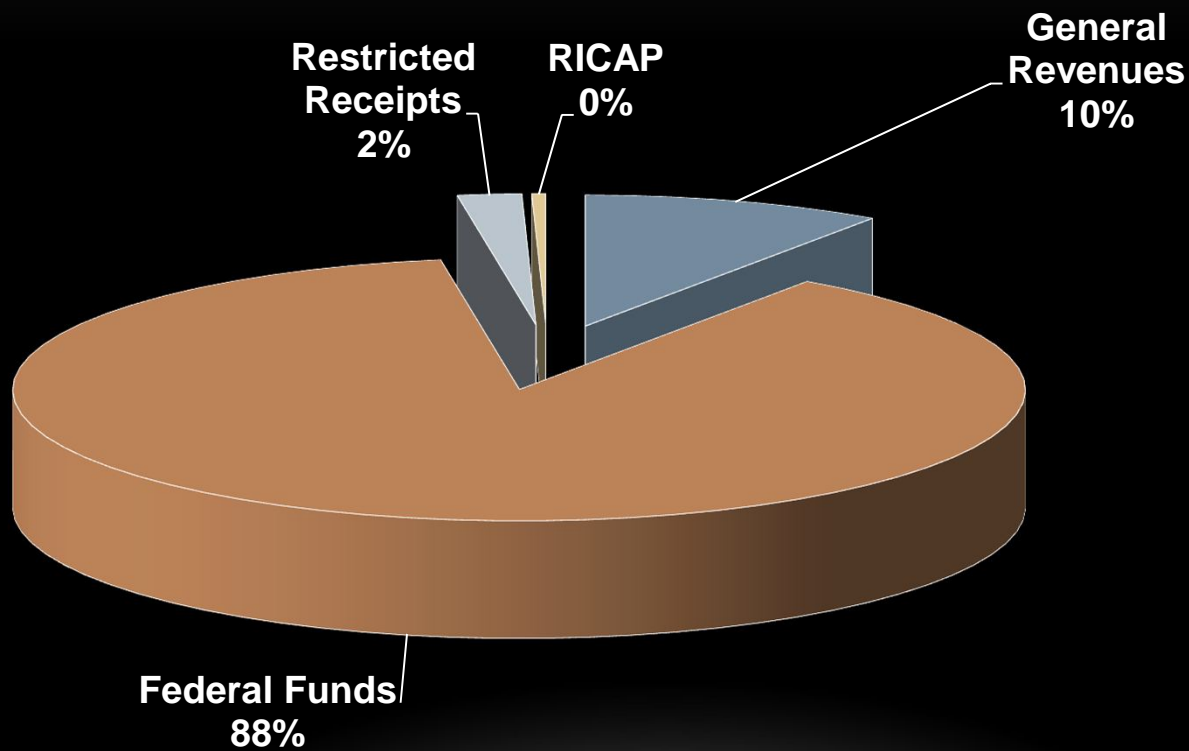
FY 2013 DEPARTMENT BY PROGRAM



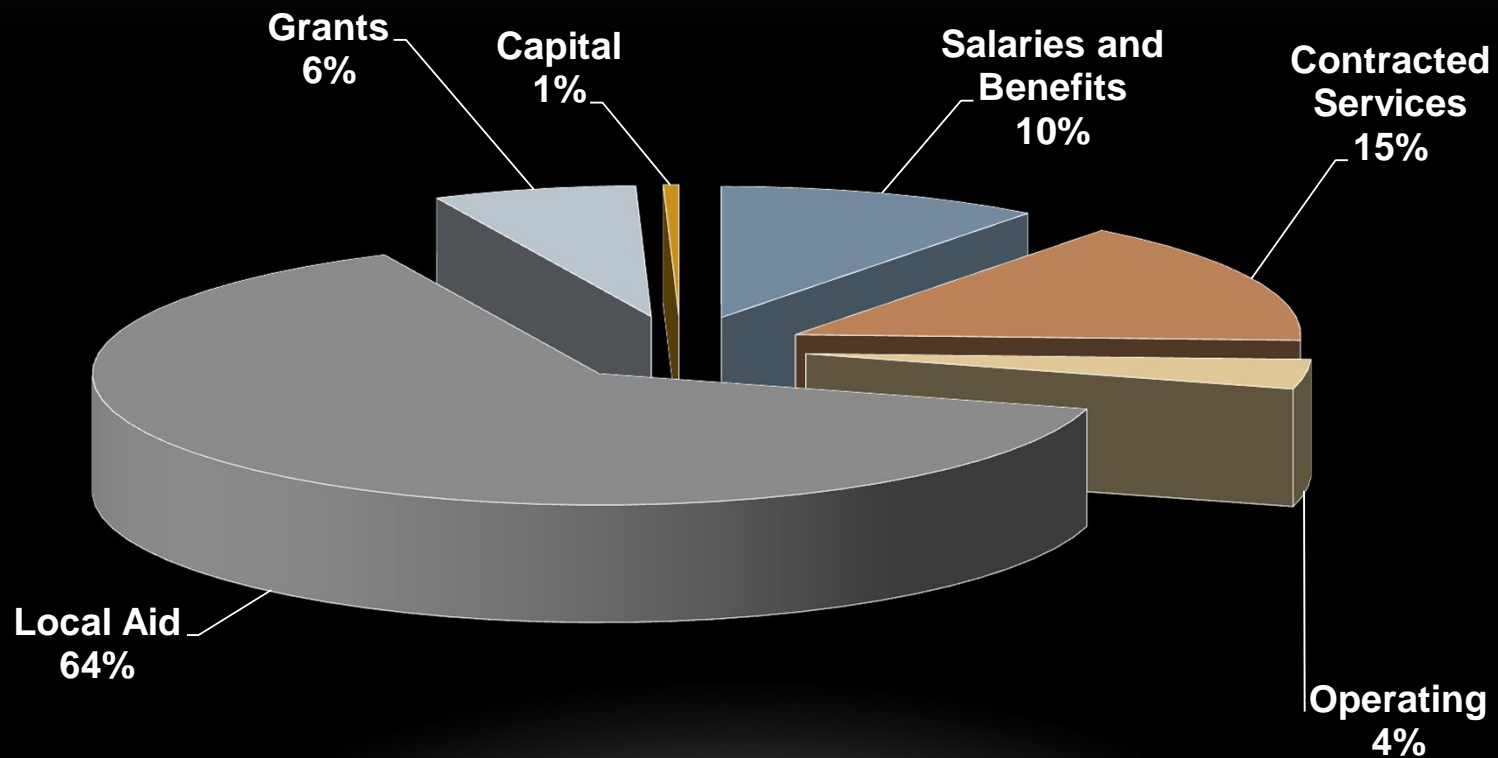
FY 2013 DEPARTMENT BY SOURCE



FY 2013 ADMIN & SCHOOL FOR DEAF BY SOURCE



FY 2013 ADMIN & SCHOOL FOR THE DEAF BY CATEGORY



STAFFING

| FTEs | Enacted | FY 2012 Gov. Rev. | FY 2013 Gov. |
|--------------|--------------|----------------------|-----------------|
| Operations | 156.4 | 169.4 | 169.4 |
| Deaf | 60.0 | 60.0 | 60.0 |
| Davies | 132.0 | 126.0 | 126.0 |
| Total | 348.4 | 355.4 | 355.4 |

STAFFING

- 13.0 time-limited federally funded positions
 - Work on Race to the Top – Early Learning Challenge Grant
- \$50.0 million, four-year grant to improve education for pre-school students
- Also involves multiple human service agencies

STAFFING

- Removes 6.0 federally funded school based coordinators at Davies
- Positions transferred to districts during FY 2011
- Employees now district employees

FY 2012 REVISED MAJOR CHANGES – AID PROGRAMS

Current Law Requirements

- Textbook Reimbursement
 - \$25,698
- Housing Aid
 - (\$2.7 million)
- Teacher Retirement
 - \$2.5 million

FY 2013 MAJOR CHANGES – AID PROGRAMS

- Funds second year of funding formula
- Uses June 30, 2011 student enrollment data adjusted for FY 2013 projected charter school enrollments
- Uses \$0.5 million from federal education jobs funds that districts will receive for use in FY 2012 in lieu of general revenues for FY 2013
- Adds \$11.0 million to accelerate funding to underfunded schools

FY 2013 MAJOR CHANGES – AID PROGRAMS

Funds all of the Categorical Funds

- High Cost Special Ed - \$500,000
- High Cost Career & Tech - \$3.0 million
- Early Childhood - \$1,450,000
- Transportation - \$2,175,680
- Regionalization Bonus - \$413,170

FY 2013 MAJOR CHANGES – AID PROGRAMS

- \$3.4 million less for teacher retirement
- \$2.1 million more for school housing aid
 - Funding formula has 2-year phased increase in minimum state share
 - 35% for FY 2012 and 40% for FY 2013
 - Governor proposes maintaining minimum reimbursement at 35% - savings of \$0.4 million

FY 2013 MAJOR CHANGES – AID PROGRAMS

- School Breakfast
 - Eliminates administrative cost reimbursement to districts - \$270,000
 - Food paid from federal sources
- Textbook Reimbursement
 - Eliminates \$240,000 and requirement that state reimburse certain costs
 - Districts would still have to provide textbooks

FY 2013 MAJOR CHANGES – AID PROGRAMS

- Group Home Aid
 - \$420,000 less than enacted based on current law requirements to fund beds open as of December 31
- Permanent School Fund
 - Shifts \$0.2 million from Central Falls to education aid so that all persistently lowest achieving districts may be eligible for funding
 - From duties paid to state by auctioneers

STATEWIDE SAVINGS

- Unidentified statewide general revenue savings in cabinet level departments and certain other agencies
- FY 2012 enacted budget includes \$891,783
 - Reductions of 3.0% to salaries and benefits and 1.0% to operating costs
 - Savings were achieved through turnover

SALARIES AND BENEFITS

- \$19.6 million
 - \$0.6 million more than enacted including \$0.5 million from general revenues
- Assumes \$0.3 million in turnover savings
 - Equivalent to 2.7 FTEs

SALARIES AND BENEFITS

- Agencies used pre-reform retirement rates when preparing their budgets
 - Governor's budget adjusts rates to reflect new, lower costs and reduces general revenues expenses
- Savings from other sources shifted to unidentified operating expenses
 - For ELSEC these total approx. \$1.1 million
 - Some may be available to offset state costs

EDUCATION TELECOMMUNICATIONS ACCESS FUND

- Eliminates \$350,000 from general revenues
- Reduces assessment for Fund from \$0.26 to \$0.15 per land line effective July 1, 2012 and expands assessment to wireless lines
- Additional \$0.7 million in revenue to substitute for current state support to leverage federal funds
- Fund designed to provide financial assistance for qualified libraries and schools to acquire, install, and use telecommunications technologies to access the Internet

PERKINS SCHOOL TUITION

- Rescinds current law provision that parents who believe the state cannot meet their impaired children's needs to apply to Dept. for child to attend any suitable school
- Enacted budget includes \$0.4 million for 2 students to attend – graduating or aging out in May
- Intent is that new special education categorical funding helps to offset local costs of high cost placements like these - recommends \$0.5 million for FY 2013

ADULT EDUCATION

- 2011 Assembly used \$2.3 million from HRIC funds in lieu of like amount from general revenues for total funding of \$5.8 million
- Governor reverses this action and recommends an additional \$2.0 million from general revenues in lieu of \$2.3 million from HRIC funds

SCIENCE KITS (KITES)

- Governor removes the \$98,000 enacted to support KITES program
 - Kits in Teaching Elementary Science
- KITES kits provide teachers with instructional science units including hands-on tasks for students

OTHER GENERAL REVENUE ITEMS

- Community Service Grants
 - Statewide reduction of 25% for savings of \$160,917
- Uniform Chart of Accounts
 - Savings of \$100,000 - chart is almost fully implemented
 - Districts began using new chart on July 1, 2009

RACE TO THE TOP

- \$75.0 million over 4 years and 22 FTEs
 - \$1.6 million for FY 2011
 - \$22.6 million for FY 2012
 - \$24.0 million for FY 2013
 - \$26.8 million available for FY 2014
- Building state and local capacity
- Data collection and analysis
- Principal leadership
- Educator effectiveness

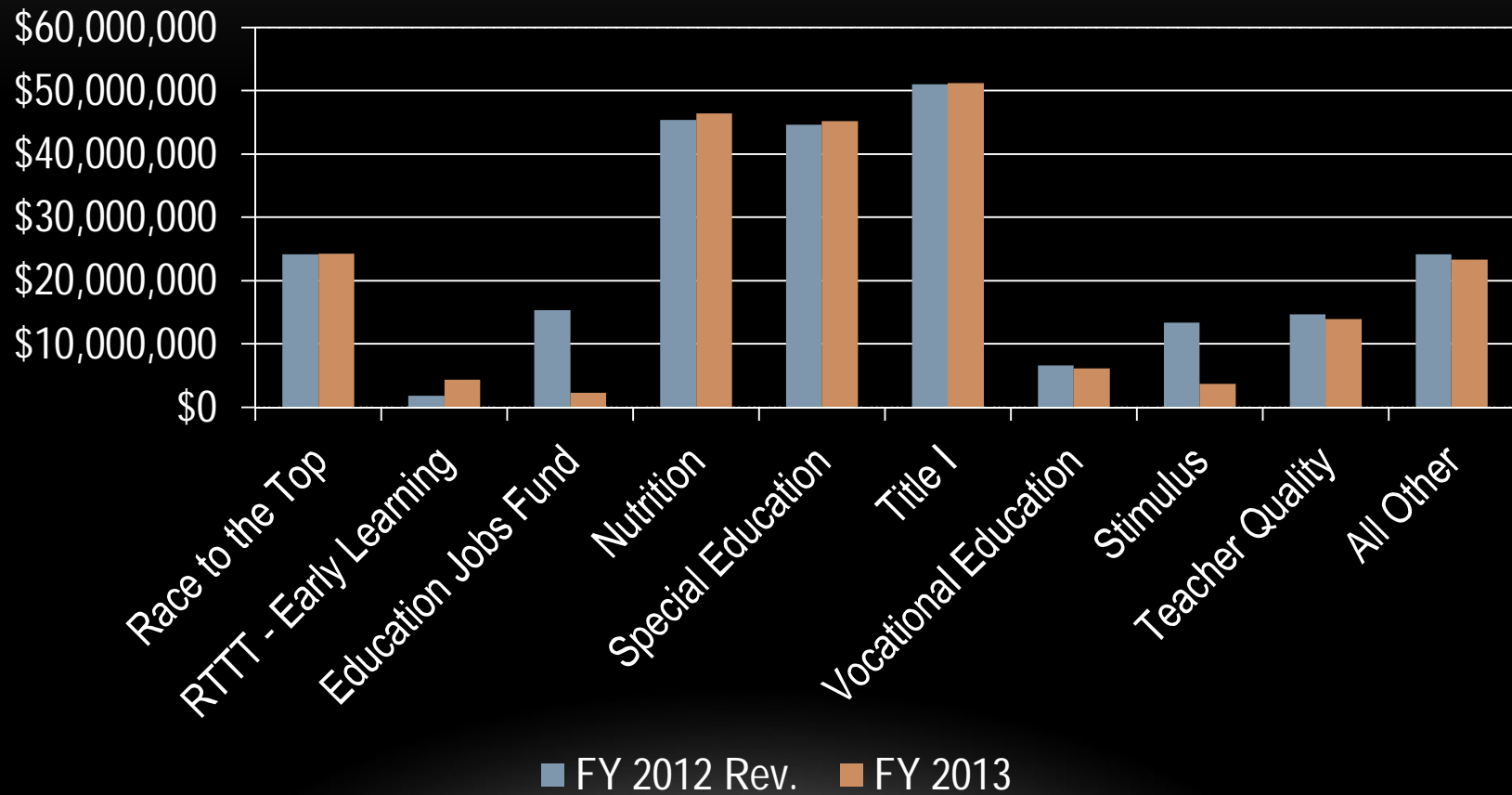
RACE TO THE TOP

- 50% of grant will go to districts
- State share used for personnel and to build infrastructure and support systems
 - Educator evaluation system
 - Training educators to use common core standards
 - Developing new program to support novice teachers
 - Support to lowest-achieving schools
 - Implement new data systems: certification, educator performance, instructional management

RACE TO THE TOP- EARLY LEARNING CHALLENGE

- \$50.0 million over 4 years and 13 FTEs
- Improve education for pre-school students
 - Develop high quality programs
 - Promote early learning and development outcomes
- Grant also involves funding and positions in human service agencies
 - 21.5 positions state wide

FEDERAL GRANTS



SCHOOL FOR THE DEAF

- Purpose: furnish the state's deaf children a system of free appropriate public education
- 69 students
 - 65 from Rhode Island
 - 4 from out of state – tuition charged

SCHOOL FOR THE DEAF

- Unlike other state schools, School for the Deaf is not funded pursuant to funding formula
- State supports core program
- Sending districts billed for services that fall outside the core program
 - Approved by 2009 Assembly

SCHOOL FOR THE DEAF

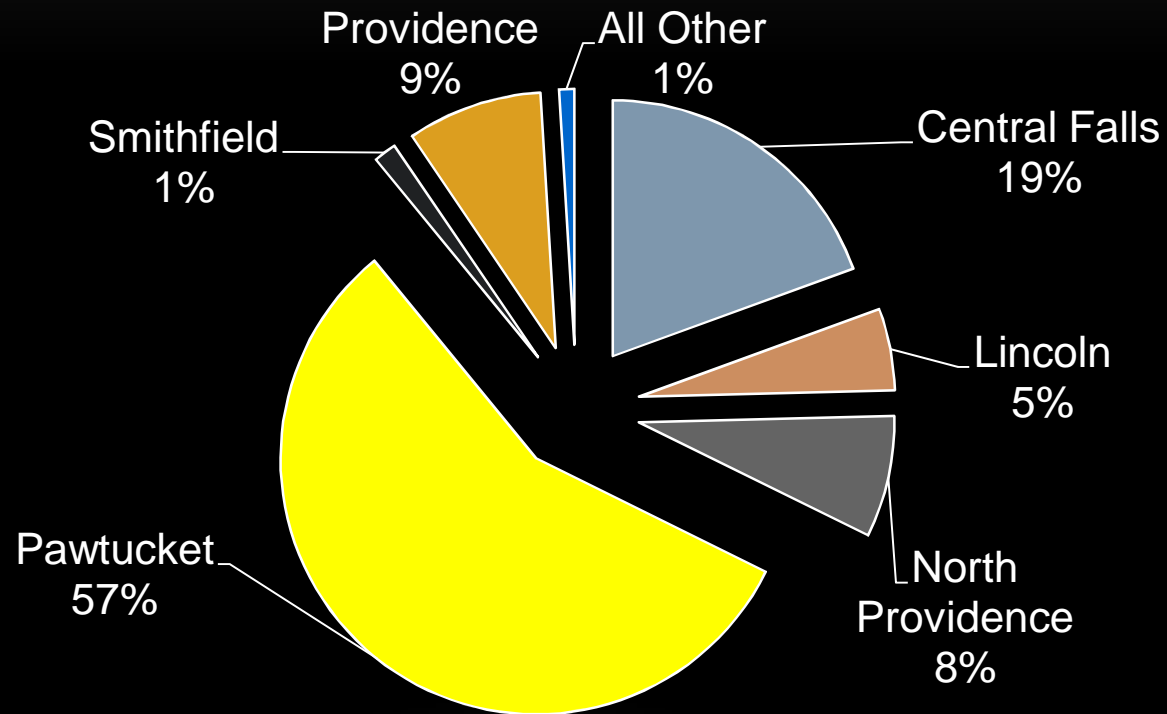
The Governor recommends \$7.0 Million

- \$6.2 million General Revenues
 - \$0.4 million more than enacted
- \$0.3 million Federal Funds
 - Essentially at the enacted level
- \$0.5 million Restricted Receipts
 - \$0.1 million less than enacted
- 60.0 Full-Time Equivalent Positions

DAVIES CAREER & TECHNICAL SCHOOL

- Four-year high school - students apply
- 833 students as of October 2011
- Serves Central Falls, Lincoln, N. Providence, Pawtucket, Smithfield and Providence

DAVIES CAREER & TECHNICAL SCHOOL



DAVIES CAREER & TECHNICAL SCHOOL

- Funded pursuant to funding formula
 - State aid determined by funding formula calculation
 - Local share of funding from districts that send students to the school
 - Flow into a restricted receipt account to partially offset the loss of state aid
- Had been fully state supported prior to FY 2012

DAVIES CAREER & TECHNICAL SCHOOL

- The Governor recommends \$16.7 million for operations, excluding capital
 - \$13.4 million General Revenues
 - \$15,759 less than enacted
 - \$1.4 million Federal Funds
 - \$1.8 million in tuition payments from local districts
 - 126.0 FTEs – 6.0 less than enacted authorization

METROPOLITAN CAREER & TECHNICAL SCHOOL

- Funded pursuant to funding formula
 - State aid determined by funding formula calculation
 - Local share of funding from districts that send students to the school
- Had been fully state supported prior to FY 2012
 - Similar to Central Falls with lump sum allocation
- \$11.6 million for FY 2013
 - \$40,864 less than enacted

NEW PROJECTS

| Project | Total Cost (in millions) | Start Date | End Date |
|------------------------------|-------------------------------------|-------------------|-----------------|
| Technology Infrastructure | \$20.0 from COPS | FY 2013 | FY 2017 |
| Met Asset Protection | \$0.6 from RICAP | FY 2014 | FY 2017 |
| Met School HVAC | \$2.5 from RICAP | FY 2013 | FY 2015 |

TECHNOLOGY INFRASTRUCTURE

- Governor proposes \$20 million IT project for locals
- Will expand and enhance technology infrastructure in local schools

MET SCHOOL ASSET PROTECTION

- \$100,000 for FY 2014 & FY 2015, \$200,000 for FY 2016 & FY 2017
- For Peace Street and Public Street campuses
 - Peace Street constructed in 1998
 - Public Street constructed in 2002
- Many systems are approaching end of useful life and require mechanical overhaul or replacement

MET SCHOOL HVAC

- \$0.8 million from RICAP for FY 2013 through FY 2015
- For Peace Street and Public Street campuses

MET SCHOOL - REVISED

- Create new Entrepreneurial Center
 - \$0.7 million from approved GO bond proceeds
 - \$0.4 million from new RICAP
- Construction of center began in May 2011 and is nearly complete
- RICAP request funds the difference between the bid and the available bond funds

ONGOING – CAREER & TECH - RICF

| Project | Total Cost (in millions) | Start Date | End Date |
|-----------------|-------------------------------------|-------------------|-----------------|
| Cranston | \$1.9 | FY 2010 | FY 2015 |
| East Providence | \$1.1 | FY 2011 | FY 2014 |
| Warwick | \$1.7 | FY 2012 | FY 2015 |
| Woonsocket | \$1.7 | FY 2012 | FY 2015 |
| Chariho | \$1.6 | FY 2010 | FY 2012 |
| Newport | \$1.2 | FY 2011 | FY 2013 |

ONGOING RICF PROJECTS

| Project | Total Cost (in millions) | End Date |
|----------------------------|-------------------------------------|-----------------|
| Davies Roof | \$3.0 | FY 2012 |
| Davies HVAC | \$2.2 | FY 2013 |
| Davies Asset Protection | \$2.5 | Perpetual |
| Met School East Bay Campus | \$8.8 | FY 2014 |

ONGOING COPS PROJECTS

| Project | Total Cost (in millions) | End Date |
|---|-------------------------------------|-----------------|
| Comprehensive Education Information System | \$3.0 | FY 2014 |
| New School for the Deaf | \$30.0 | FY 2012 |

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