

Elementary and Secondary Education

FY 2013 Revised and FY 2014
Operating and Capital Budgets
Staff Presentation
March 26, 2013

Summary By Program

(In millions)	Enacted	FY 2013 Gov. Rev.	FY 2014 Governor
Aid Programs	\$937.2	\$938.0	\$967.3
Operations	254.1	263.1	251.9
School for the Deaf	7.0	7.0	6.8
Total	\$1,198.2	\$1,208.1	\$1,226.0

Summary By Program

Change to Enacted (In millions)	FY 2013 Gov. Rev.	FY 2014 Governor
Aid Programs	\$0.9	\$30.1
Operations	9.1	(2.2)
School for the Deaf	-	(0.2)
Total	\$9.9	\$27.7

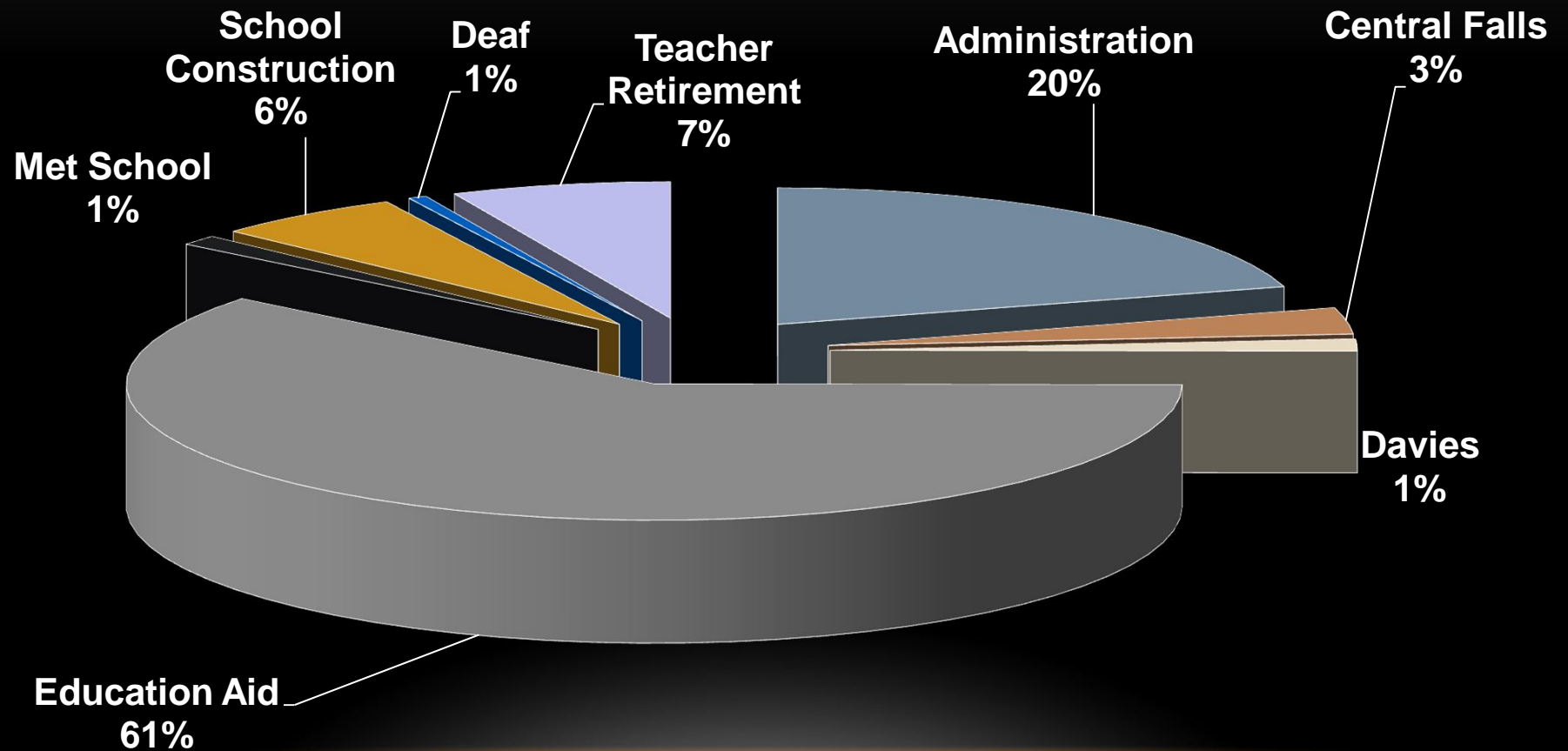
Summary By Fund Source

(In millions)	Enacted	FY 2013 Gov. Rev.	FY 2014 Governor
General Revenues	\$935.4	\$930.2	\$964.6
Federal	230.8	238.0	225.7
Restricted Receipts	25.6	26.6	27.7
Other Funds	6.5	13.3	7.9
Total	\$1,198.2	\$1,208.1	\$1,226.0

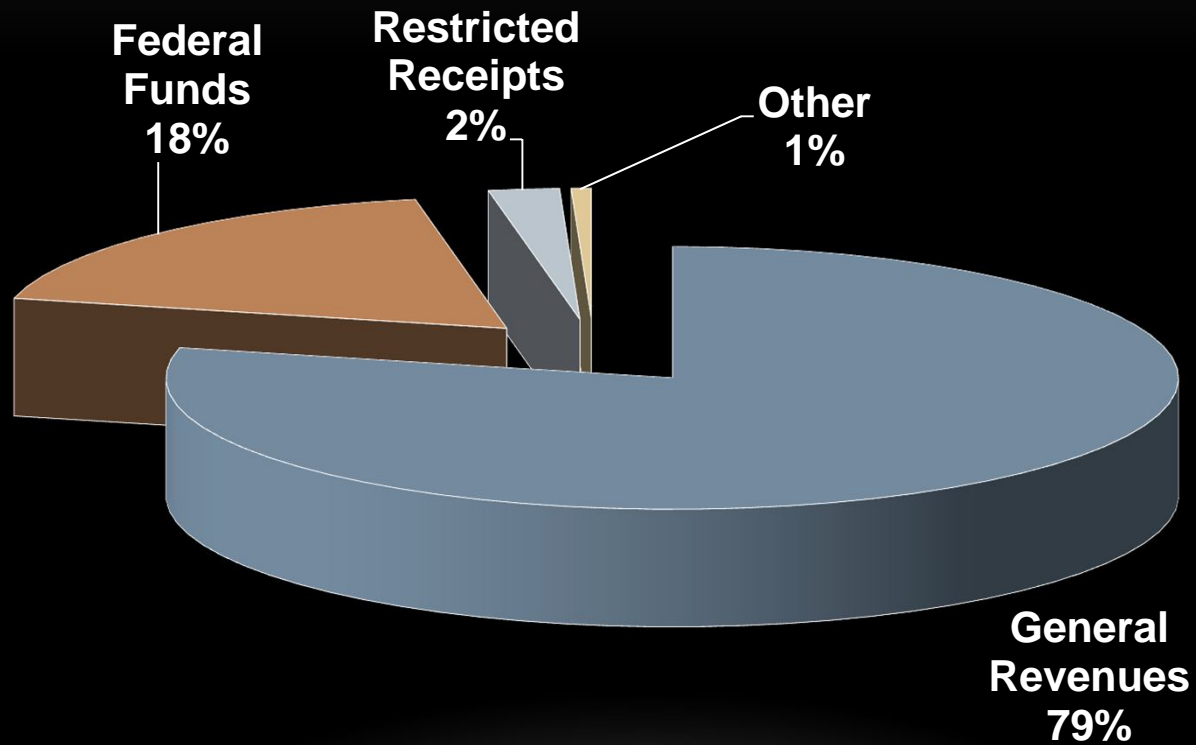
Summary By Fund Source

Change to enacted (In millions)	FY 2013 Gov. Rev.	FY 2014 Governor
General Revenues	(\$5.2)	\$29.3
Federal	7.2	(5.0)
Restricted Receipts	0.9	2.0
Other Funds	6.9	1.5
Total	\$9.9	\$27.7

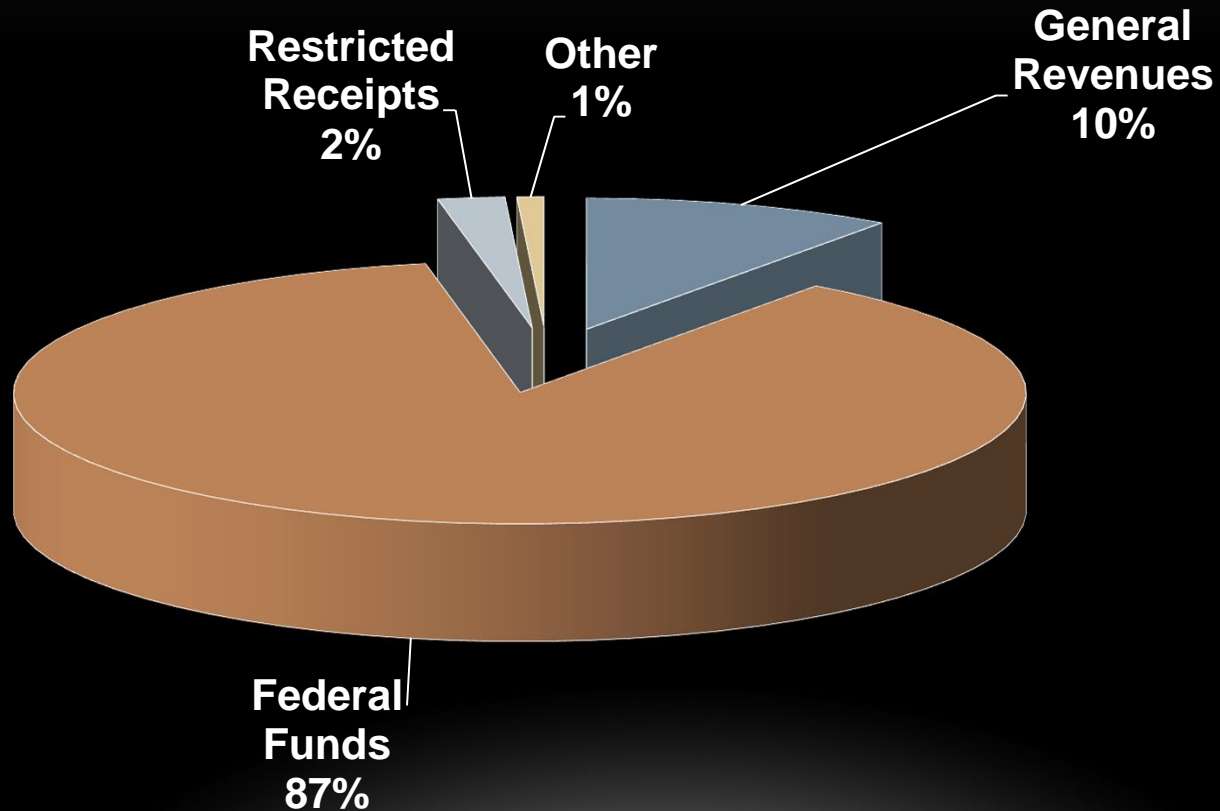
FY 2014 Department by Program



FY 2014 Department by Source



FY 2014 Admin & School for Deaf by Source



Target Budget

- Budget Office provided a general revenue target of \$966.4 million
 - Current service adjustments of \$32.8 million
 - 7% reduction of \$1.8 million
- Request is \$0.2 million above target

FY 2013 Revised Major Changes

– Aid Programs

Current Law Requirements

- Housing Aid
 - (\$2.5 million)
- Teacher Retirement
 - (\$2.9 million)
- Group Home Aid
 - \$60,000
- Education Aid Data Update – Charter Schools
 - \$6,367

FY 2014 Education Aid

- Funds third year of funding formula
- Uses June 30, 2012 student enrollment data adjusted for FY 2014 projected charter school enrollments
- Assumes 3 new charter schools for 2013-2014 school year – received pre-approval
 - Final approval in June or July
- Department will provide March enrollment data in April

FY 2014 Major Changes – Aid Programs

Categorical Fund	FY 2014 Governor	Change to Enacted
High Cost Special Education	\$1,000,000	\$500,000
Career and Technical	\$3,500,000	\$500,000
Early Childhood	\$2,450,000	\$1,000,000
Transportation	\$3,263,520	\$1,087,840
Regionalization Bonus	\$-	\$(412,951)

FY 2014 Major Changes – Aid Programs

- Teacher Retirement - \$82.5 million
 - \$4.3 million more based on FY 2014 planning values and payroll growth assumptions
 - Removes \$1.5 million for one time supplemental payment
- Housing Aid - \$71.1 million
 - \$3.4 million less based on districts' estimations of when projects will be completed
 - 2011 Assembly instituted a 3-year moratorium on new approvals through July 1, 2014 – report due from Department

FY 2014 Major Changes – Aid Programs

- Group Home Aid - \$7.1 million
 - \$1.1 million less than enacted based on current law requirements to fund beds open as of December 31
- Permanent School Fund - \$0.3 million
 - From duties paid to state by auctioneers
 - Adds \$0.1 million to support reform efforts for persistently lowest achieving districts
 - Department had requested \$0.5 million for FY 2013 and \$1.3 million for FY 2014 based on total fund balance

Salaries and Benefits

- \$21.1 million - excluding state schools
 - \$1.2 million less than enacted including \$0.6 million more from general revenues
 - Reflects delay in hiring Race to the Top Early Childhood grant positions
 - Assumes \$0.7 million in turnover savings
 - Equivalent to 5.6 FTEs

Salaries and Benefits

Full-Time Equivalent Positions

Full-Time Positions	FTEs	Chg. To Enacted
Enacted Authorized	355.4	-
FY 2014 Request	357.4	2.0
FY 2014 Governor	357.4	2.0
FY 2012 Average Filled	314.1	(41.3)
Filled as of March 23	328.0	(27.4)

New Positions

- 2.0 new positions for FY 2013 and FY 2014
 - Work on municipal oversight initiatives associated with legislation passed by 2012 Assembly
- Responsible for:
 - Review and analysis of school district financial data
 - Identify LEAs at risk of year-end or structural deficit
 - Monitor for compliance with approved budget model and best practices in school finance
- Funded through turnover savings elsewhere in Dept. – request was for \$0.3 million from GR

Education Telecommunications Access Fund

- \$400,000 from general revenues for FY 2013 and FY 2014
 - Request was for \$400,000 for FY 2013 and \$700,000 for FY 2014
- Fund designed to provide financial assistance for qualified libraries and schools to acquire, install, and use telecommunications technologies to access the Internet
- Enacted budget excluded general revenues because of incorrect information that principal payment on \$20.0 million IT bond could be used as state match

Education Telecommunications Access Fund

	FY 2010	FY 2011	FY 2012	Total
Provider Contracts (Bandwidth)	\$1,146,709	\$971,453	\$1,045,543	\$3,163,705
Salaries and Benefits	66,106	85,586	86,884	283,576
One-time Expenses	31,500	-	17,545	49,045
Total Expenditures	\$1,244,315	\$1,057,039	\$1,149,973	\$3,451,326
Revenues	\$1,218,920	\$1,159,636	\$1,189,711	\$3,568,267
Difference	(\$25,394)	\$102,597	\$39,738	\$116,940

Vision Services

- Request enacted level of \$745,000 for teaching and consultation services to blind or visually impaired children, families and educational staff
- Districts currently pay 1/3 of hourly costs, state pays 1/3 and 1/3 is federal
- Governor recommends shifting all expenses to districts over a 3-year period
 - Savings of \$0.2 million for FY 2014

Adult Education

(In millions)	General Revenues	HRIC	Total
FY 2012 Spent	\$1.9	\$3.5	\$5.4
FY 2013 Enacted	\$2.0	\$3.5	\$5.5
FY 2014 Request	\$2.3	\$3.8	\$6.1
FY 2014 Target Request	\$2.0	\$3.8	\$5.8
FY 2014 Governor	\$2.0	\$3.8	\$5.8
Change to Enacted	-	\$0.3	\$0.3

Adult Education

- 25% GED or pre-GED preparation
 - Roughly 1,500 students a year
- 50% ESL
 - Roughly 3,000 students a year
- 25% for low level literacy
 - Between 1st and 5th grade equivalent
 - Roughly 1,500 students a year

Transition Grant to Channel 36

- 2012 Assembly provided state support to RI Public Telecommunications Authority through July 1, 2013
 - Article 18 heard on February 26
- Governor provides \$0.4 million in GR support for public television for FY 2014
- Funding intended to be first of 2-year plan to assist in transition from a state agency to control of the RI PBS Foundation

Community Service Grants

- Enacted level of \$0.8 million for 15 grants
 - COZs
 - United Way Summer Program
 - Hasbro Children's Hospital
 - Year Up

Race to the Top

- \$75.0 million over 4 years and 22 FTEs
 - \$1.6 million for FY 2011
 - \$17.6 million for FY 2012
 - \$30.0 million for FY 2013
 - \$25.8 million for FY 2014
- Building state and local capacity
- Data collection and analysis
- Principal leadership
- Educator effectiveness

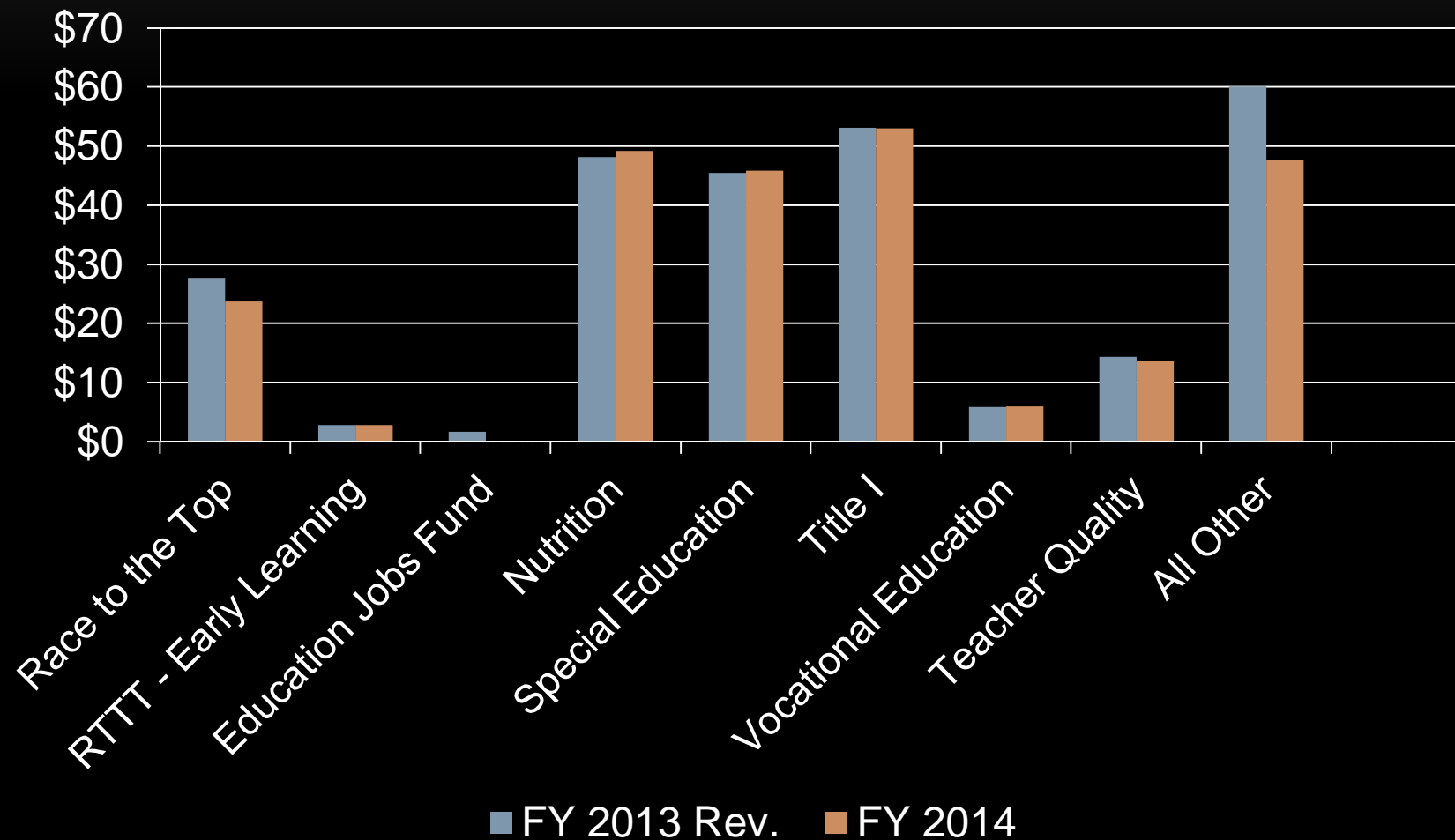
Race to the Top

- 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 – In Millions



Federal Grants - Sequestration

- \$3.6 million cut to Title 1
 - 50 jobs and 4,448 fewer students served
- \$3.5 million cut to Special Education
 - 40 jobs and 145 fewer infants and children served
- \$0.4 million cut to career and tech education
 - 2,006 fewer students served
- \$0.9 million cut in professional development funds
 - 1,000 teachers impacted

Federal Grants - Sequestration

- Race to the Top grant not impacted
- Some districts already providing layoff notices to up to 25% of federally funded employees
 - March 1 deadline for notification of nonrenewal of contracts
- Department could experience some staff reductions for FY 2014 but has not estimated how many

School for the Deaf

- Purpose: furnish the state's deaf children a system of free appropriate public education
- 71 students
 - 68 from Rhode Island
 - 3 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

(In millions)	FY 2013 Enacted	FY 2013 Gov. Rev.	FY 2014 Request	FY 2014 Governor
General Revenues	\$6.2	\$6.2	\$6.4	\$6.1
Federal Funds	0.3	0.5	0.4	0.4
Restricted Receipts	0.5	0.3	0.3	0.3
Total	\$7.0	\$7.0	\$7.1	\$6.8
FTEs	60.0	60.0	60.0	60.0

Debt service on \$30 million new school construction shown in DOA's budget- \$2.5 million annually

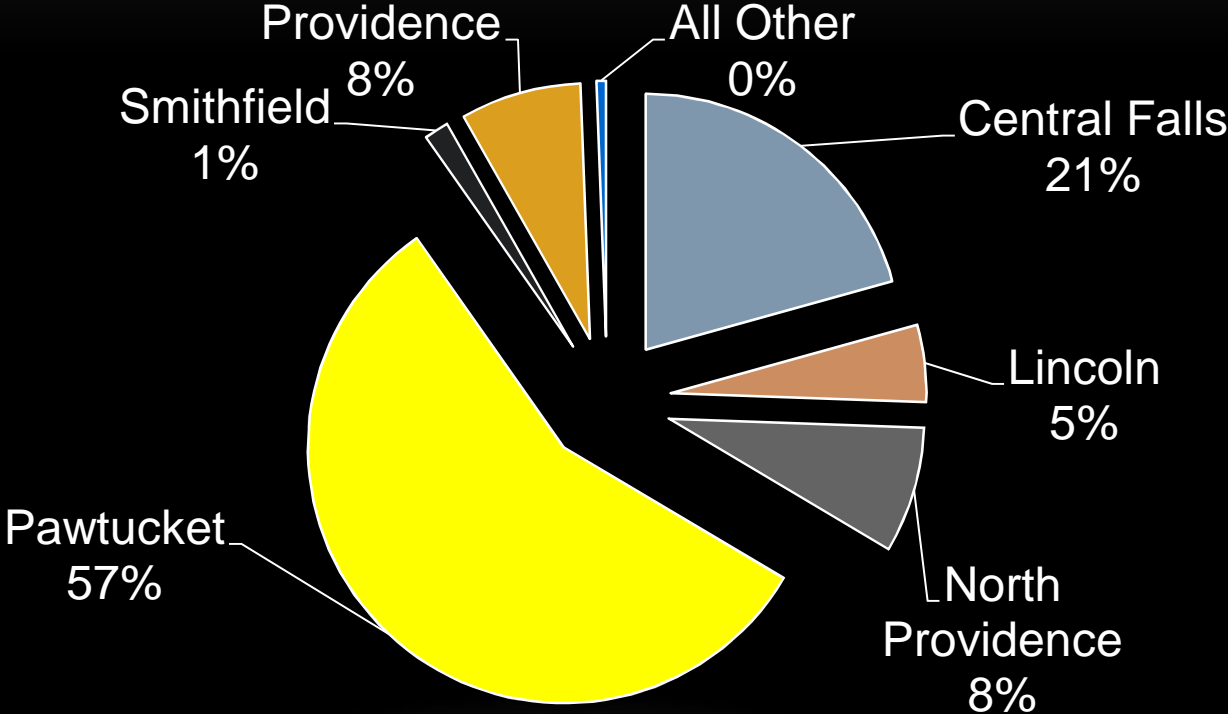
School for the Deaf

- 2011 Assembly enacted legislation that authorizes School for the Deaf to rent or lease space in building
 - Any rental agreement must receive approval from school's Board of Trustees and the state properties committee
- FY 2012 budget assumed \$90,000 in restricted receipt rental income and reduced general revenue expenditures by \$67,500
- FY 2013 budget removed rental income as School is not renting space – did not restore general revenues

Davies Career & Technical School

- Four-year high school - students apply
- 841 students as of October 2012
- 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 \$16.8 million for operations, excluding capital
 - \$12.7 million from general revenues
 - \$0.7 million less than enacted
 - \$1.5 million from federal funds
 - \$2.2 million in tuition payments from local districts
 - \$0.3 million from other restricted sources
 - 126.0 FTEs

Central Falls

- Funded pursuant to funding formula
 - State aid determined by funding formula calculation
 - Formula requires city to contribute; however, budget assumes that no local contribution will be made
- Had been fully state supported prior to FY 2012
- \$38.2 million for FY 2014
 - \$1.5 million less than enacted

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
- \$11.1 million for FY 2014
 - \$0.6 million less than enacted

Career & Tech - RICF

Project	Total Cost (In millions)	Start Date	End Date
Cranston	\$3.3	FY 2010	FY 2015
East Providence	\$1.1	FY 2011	FY 2014
Warwick	\$1.7	FY 2013	FY 2015
Woonsocket	\$3.2	FY 2013	FY 2015
Newport	\$1.2	FY 2011	FY 2013

Davies - RICF

Project	Total Cost (In millions)	End Date
Davies Roof	\$3.0	FY 2013
Davies HVAC	\$4.3	FY 2016
Davies Asset Protection	\$2.8	Perpetual

Met School- RICF

Project	Total Cost (In millions)	End Date
East Bay Campus	\$8.8	FY 2014
HVAC	\$2.5	FY 2015
Met Asset Protection	\$0.7	Perpetual

Ongoing COPS Projects

Project	Total Cost (In millions)	End Date
LEA Technology Infrastructure	\$20.0	FY 2015
Comprehensive Education Information System	\$3.0	FY 2016
New School for the Deaf	\$30.0	FY 2013

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