

# IX.A.

**CONNECTICUT STATE BOARD OF EDUCATION  
Hartford**

**TO BE PROPOSED:**

May 13, 2020

**RESOLVED**, That the State Board of Education approves the request for Finance Advisory Committee (FAC) action to transfer funding from the Education Cost Sharing and State Charter School Accounts to the Other Expenses Account, and directs the Commissioner to take the necessary action.

Approved by a vote of \_\_\_\_\_ this thirteenth day of May, Two Thousand Twenty.

Signed: \_\_\_\_\_  
Dr. Miguel A. Cardona, Secretary

**CONNECTICUT STATE BOARD OF EDUCATION**  
**Hartford**

**TO:** State Board of Education

**FROM:** Dr. Miguel A. Cardona  
Commissioner of Education

**DATE:** May 13, 2020

**SUBJECT:** Request for Finance Advisory Committee Action

When an agency needs to transfer funds between state accounts over a certain dollar threshold, it must make a request to the Office of Policy and Management (OPM) that the transfer be considered by the Finance Advisory Committee (FAC).

The Department has requested the following FAC transfer:

Transfer of funds from the Education Cost Sharing Grant Account	\$646,000
Transfer of funds from the State Charter School Account	<u>\$483,138</u>
Transfer of funds to the Other Expenses Account	\$1,129,138

Reason for transfer: The Fiscal Year 2020 Education Cost Sharing (ECS) appropriation and revenue estimates as published in the legislatively passed budget used the FY 2017 PIC index in the calculation. When preparing for the October ECS payment, the Department became aware that the FY 2018 PIC index was now available. (Statute requires the use of the most recent data at the time of calculation for payment purposes.) When the ECS grant was recalculated using the FY 2018 PIC index, it led to several districts' estimated grant changing. The impact of this change was communicated to OPM, and a decision was made to hold the districts that would lose money harmless to the level they expected based on the revenue estimates communicated at the time of the budget passing. In addition, the districts now eligible for additional funding would also be made whole. The districts and their respective legislative delegation were notified at the time of this decision.

To make the impacted districts whole, the Department is requesting FAC action to move lapsing funds from the ECS and Charter School accounts to its Other Expenses account. The Department will enter into MOAs with each district to provide them with the funding in a manner that will not impact local Minimum Budget Requirements.

Prepared by: Kathy Demsey  
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