

Agency Option Submission

Department of Education

Signed (Agency Head)	Title	Date
<i>Kathy Demsey</i>	<i>Chief Financial Officer</i>	<i>11-18-16</i>

Fund	Agency Priority	Adjustment Title	FY 2018 Amount	FY 2019 Amount
11000 - General Fund				
	0	Connecticut State Department of Education FY 2017-18 and FY 2018-19 - Reallocation Options	0	0
		Connecticut State Department of Education FY 2017-18 and FY 2018-19 - Reduction Options	(147,565,323)	(158,982,181)
	Total		(147,565,323)	(158,982,181)
Total			(147,565,323)	(158,982,181)

Department of Education

11000 - General Fund

Adjustment Type:

Reallocations

Agency Title:

Connecticut State Department of Education FY 2017-18 and FY 2018-19 - Reallocation Options

Agency Description:

I am proposing a reallocation and reduction of funds for agency grants which provide support services to our students, including Neighborhood Youth Centers; Family Resource Centers; Youth Service Bureau Enhancement; Young Parents Program; Youth Service Bureaus and After School Programs. The activities in these programs will be combined under a consolidated Student Support Services Grant, which will be administered through a competitive application allowing the department to direct funding and support to critical services that will provide the greatest educational impact for students.

This proposal would maintain the current services requested funding increase for the state match for federal school lunch programs and provide for the school breakfast and healthy foods grants funding to be maintained at the current level.

Agency Priority:

0

System ID:

7060

SID	Account	Program	Agency 2018	Agency 2019
Financials				
12138 - Admin - Magnet Schools	58999 - Other	82043 - Equal Education Opportunity	0	0
	Total-12138 - Admin - Magnet Schools		0	0
12318 - Neighborhood Youth Centers	58999 - Other	82043 - Equal Education Opportunity	(524,332)	(524,332)
	Total-12318 - Neighborhood Youth Centers		(524,332)	(524,332)
12457 - Sheff Settlement	58999 - Other	82043 - Equal Education Opportunity	(2,000,000)	(2,000,000)
	Total-12457 - Sheff Settlement		(2,000,000)	(2,000,000)
12552 - Talent Development	58999 - Other	84130 - Teacher Preparation, Professional & Curriculum Dev	350,000	350,000
	Total-12552 - Talent Development		350,000	350,000
16062 - Regional Education Services	50000 - Expenditures	82043 - Equal Education Opportunity	(350,000)	(350,000)
	Total-16062 - Regional Education Services		(350,000)	(350,000)
16110 - Family Resource Centers	50000 - Expenditures	82043 - Equal Education Opportunity	(3,947,423)	(3,947,423)
	Total-16110 - Family Resource Centers		(3,947,423)	(3,947,423)

16201 - Youth Service Bureau Enhancement	50000 - Expenditures	82043 - Equal Education Opportunity	(334,463)	(334,463)
	Total-16201 - Youth Service Bureau Enhancement		(334,463)	(334,463)
16T01 - Student Support Services	50000 - Expenditures	82043 - Equal Education Opportunity	8,671,482	8,671,482
	Total-16T01 - Student Support Services		8,671,482	8,671,482
17044 - Young Parents Program	50000 - Expenditures	82043 - Equal Education Opportunity	(106,159)	(106,159)
	Total-17044 - Young Parents Program		(106,159)	(106,159)
17052 - Youth Service Bureaus	50000 - Expenditures	82043 - Equal Education Opportunity	(1,325,758)	(1,325,758)
	Total-17052 - Youth Service Bureaus		(1,325,758)	(1,325,758)
17053 - Open Choice Program	50000 - Expenditures	82043 - Equal Education Opportunity	2,000,000	2,000,000
	Total-17053 - Open Choice Program		2,000,000	2,000,000
17084 - After School Program	50000 - Expenditures	82043 - Equal Education Opportunity	(2,433,347)	(2,433,347)
	Total-17084 - After School Program		(2,433,347)	(2,433,347)
Total Financials			0	0

Department of Education

11000 - General Fund

Adjustment Type:

Reductions

Agency Title:

Connecticut State Department of Education FY 2017-18 and FY 2018-19 - Reduction Options

Agency Description:

Secretary Barnes' September 6, 2016, budget adjustment instructions require all agencies to submit "realistic and achievable" reduction options that would result in a 10 percent reduction from the FY 2017 baseline budget request in all non-entitlement or formula-based municipal aid accounts. It further directs Commissioners to consider alternative service delivery models, update department practices and procedures, cross-agency collaborations, and other new ways to do business. Below, subject to discussion and approval of the Board, are the Department's proposed adjustments to current services.

The agency's FY 2017 current services appropriation is \$3 billion, of which approximately \$2.3 billion is distributed as aid to local education agencies, and \$163 million supports the operations of the Connecticut Technical High School System (CTHSS). A 10 percent reduction in the agency's non-entitlement or formula-based municipal aid equals \$82 million and will have a significant impact on the operations of the department and the services we provide to local school districts.

In deciding where to recommend reductions, an emphasis has been placed on preserving staffing and funding necessary to ensure the department can deliver statutorily required services to our school districts, teachers, and students. I have also used the Board's Five-Year Comprehensive Plan, 2016-21, as a guide in the decision-making process.

Attached for your review is a spreadsheet detailing the dollar impact on each account, and below is an overview of the impact of various reductions. While the reductions offered do not represent the department's preferred course of action, they are intended to be responsive to the difficult fiscal situation currently facing the State, while preserving critical agency functions.

#### Proposed Reductions and Reallocations

##### Agency Operations

Since January 1, 2015, the department has not filled or refilled 43 positions in central office, meaning the department has seen a 21 percent decline in General Fund staffing levels. Every division has been impacted by the loss of staff. I have used a strategy of redeploying staff, ceasing non-statutorily required work, and reassigning work to meet the annual rescissions requirements in our personal services account without having to lay off staff. To accommodate an additional 10 percent reduction in our personal services account, I will continue to follow the current strategy but will also need to eliminate two positions in central office.

In addition, the Common Core and Talent Development accounts will be significantly reduced. This will necessitate a renewed look at the services we are currently providing to determine which key functions will remain to support the work of those two divisions. To ensure the continuity of the minority teacher recruitment efforts of the Talent Office, \$350,000 in funds previously budgeted to the RESCs for this work will be reallocated to the Talent Development account. The Development of Mastery Exams and Longitudinal Data Systems accounts will be reduced by 3 percent and 10 percent, respectively. Moving to the Smarter Balanced Assessments and SAT has reduced the costs associated with the statewide assessments over the last two years allowing for this reduction.

##### Connecticut Technical High School System (CTHSS)

CTHSS will need to reduce expenditures by \$16.3 million to achieve a 10 percent reduction from the current appropriation. To achieve this reduction, CTHSS has identified 55 full-time general fund vacancies that will not be filled during the 2016-17 school year. These 55 positions would continue to remain vacant for fiscal years 2017-18 and 2018-19.

Based on current information, in addition to the 55 held positions, further reductions may include, but are not limited to, the following:

- Suspension of all athletics programs - \$3.0 million;
- Savings from the continued suspension of the Licensed Practical Nurse programs - \$1.2 million;
- Transfer of instructional costs for the Aviation Maintenance programs from the Operating Budget (General Fund) to the Extension Fund with the implementation

of the new self-sufficient tuition rate - \$600,000; and

· Continued reduction in overtime expenses - \$200,000.

The remaining cost reductions of approximately \$11.4 million would have to come from the closure or suspension of operations of at least two schools. Section 10-95o of the Connecticut General Statutes provides specific requirements that must be met (i.e., public hearing, development of a comprehensive plan) before operations of a technical high school can be closed or suspended.

**Discretionary Grants**

Funding for the Commissioner's Network grants will be reduced by 10 percent. To accommodate this reduction, close monitoring of which schools are in the phasing in and out of the network and the level of resources required to provide critical supports to those schools will be imperative. Even with this reduction, the department will be able to continue its direct interventions in our highest need schools.

The following discretionary grant accounts are being recommended for elimination: Leadership, Education, Athletics in Partnership (LEAP); Connecticut Pre-Engineering Program; Connecticut Writing Project; Bridges to Success; Alternative High School and Adult Reading Incentive Program; and CommPACT Schools. These programs, while providing important services, are only offered in select districts in the state. With significantly limited resources, our focus must be on maintaining the programs and services that offer meaningful impact for the largest number of students.

I am proposing a reallocation and reduction of funds for agency grants which provide support services to our students, including Neighborhood Youth Centers; Family Resource Centers; Youth Service Bureau Enhancement; Young Parents Program; Youth Service Bureaus and After School Programs. The activities in these programs will be combined under a consolidated Student Support Services Grant, which will be administered through a competitive application allowing the department to direct funding and support to critical services that will provide the greatest educational impact for students.

This proposal would maintain the current services requested funding increase for the state match for federal school lunch programs and provide for the school breakfast and healthy foods grants funding to be maintained at the current level.

**Choice Programming**

This year the department will spend \$480 million on school choice programming including magnet schools, charter schools, vocational agriculture programs, open choice and interdistrict cooperative grants. Reductions in each of these programs were made with priority given to schools that are continuing to enroll new grade levels. Funding for the backfilling of seats due to attrition and adding classrooms in existing grades has been eliminated. To maintain funding in the Open Choice program within the Sheff region, \$2 million has been reallocated from the Sheff Settlement account to the Open Choice account.

**Statutory Formula Grants**

In our FY 2017-18 and 2018-19 current services requests, there are three grants that will no longer be subject to statutory grant caps: Adult Education, Health and Welfare Services Private Schools, and Special Education Excess Cost - Student Based. The removal of these caps will increase required funding for these grants by \$61.6 million in FY 2017-18 and \$6.3 million in FY 2018-19. I am proposing reinstating the caps for the Adult Education and Health and Welfare Services Private Schools. The grants would be funded at the FY 2017 level and save the corresponding increases delineated above. For the Special Education Excess Cost - Student Based grant, I am recommending \$5 million of the proposed increase remain intact, returning the funding level to FY 2016 to meet federal maintenance of effort requirements. The balance of the increase will be eliminated.

Agency Priority:

0

System ID:

7058

SID	Account	Program	Agency 2018	Agency 2019
Financials				
10010 - Personal Services	58999 - Other	14000 - Agency Management Services	(1,896,502)	(1,896,502)
	Total-10010 - Personal Services		(1,896,502)	(1,896,502)

10020 - Other Expenses	51500 - Other Services	14000 - Agency Management Services	(362,438)	(362,438)
	Total-10020 - Other Expenses		(362,438)	(362,438)
12171 - Development of Mastery Exams Grades 4, 6, and 8	58999 - Other	82043 - Equal Education Opportunity	(400,299)	(400,299)
	Total-12171 - Development of Mastery Exams Grades 4, 6, and 8		(400,299)	(400,299)
12198 - Primary Mental Health	58999 - Other	82043 - Equal Education Opportunity	(39,552)	(39,552)
	Total-12198 - Primary Mental Health		(39,552)	(39,552)
12211 - Leadership, Education, Athletics in Partnership (LEAP)	58999 - Other	82043 - Equal Education Opportunity	(625,045)	(625,045)
	Total-12211 - Leadership, Education, Athletics in Partnership (LEAP)		(625,045)	(625,045)
12253 - Connecticut Pre-Engineering Program	58999 - Other	84130 - Teacher Preparation, Professional & Curriculum Dev	(225,758)	(225,758)
	Total-12253 - Connecticut Pre-Engineering Program		(225,758)	(225,758)
12261 - Connecticut Writing Project	58999 - Other	84130 - Teacher Preparation, Professional & Curriculum Dev	(63,360)	(63,360)
	Total-12261 - Connecticut Writing Project		(63,360)	(63,360)
12290 - Resource Equity Assessments	58999 - Other	14000 - Agency Management Services	(14,931)	(149,310)
	Total-12290 - Resource Equity Assessments		(14,931)	(149,310)
12318 - Neighborhood Youth Centers	58999 - Other	82043 - Equal Education Opportunity	(524,332)	(524,332)
	Total-12318 - Neighborhood Youth Centers		(524,332)	(524,332)
12405 - Longitudinal Data Systems	58999 - Other	14000 - Agency Management Services	(134,772)	(134,772)
	Total-12405 - Longitudinal Data Systems		(134,772)	(134,772)
12457 - Sheff Settlement	58999 - Other	82043 - Equal Education Opportunity	0	0
	Total-12457 - Sheff Settlement		0	0
12468 - CommPACT Schools	58999 - Other	82001 - Basic School Program	(350,000)	(350,000)
	Total-12468 - CommPACT Schools		(350,000)	(350,000)
12506 - Parent Trust Fund Program	58999 - Other	82014 - Special Education	(43,982)	(43,982)
	Total-12506 - Parent Trust Fund Program		(43,982)	(43,982)

12519 - Regional Vocational-Technical School System	58999 - Other	84015 - CT Tech High School System	(16,336,754)	(16,336,754)
	Total-12519 - Regional Vocational-Technical School System		(16,336,754)	(16,336,754)
12547 - Commissioner's Network	58999 - Other	82001 - Basic School Program	(1,212,155)	(1,212,155)
	Total-12547 - Commissioner's Network		(1,212,155)	(1,212,155)
12549 - New or Replicated Schools	58999 - Other	82043 - Equal Education Opportunity	(96,000)	(96,000)
	Total-12549 - New or Replicated Schools		(96,000)	(96,000)
12550 - Bridges to Success	58999 - Other	82001 - Basic School Program	(188,500)	(188,500)
	Total-12550 - Bridges to Success		(188,500)	(188,500)
12551 - K-3 Reading Assessment Pilot	58999 - Other	82043 - Equal Education Opportunity	(264,620)	(264,260)
	Total-12551 - K-3 Reading Assessment Pilot		(264,620)	(264,260)
12552 - Talent Development	58999 - Other	84130 - Teacher Preparation, Professional & Curriculum Dev	(3,445,115)	(3,445,115)
	Total-12552 - Talent Development		(3,445,115)	(3,445,115)
12566 - Common Core	58999 - Other	82043 - Equal Education Opportunity	(2,626,767)	(2,626,767)
	Total-12566 - Common Core		(2,626,767)	(2,626,767)
12567 - Alternative High School and Adult Reading Incentive Program	58999 - Other	84130 - Teacher Preparation, Professional & Curriculum Dev	(188,500)	(188,500)
	Total-12567 - Alternative High School and Adult Reading Incentive Program		(188,500)	(188,500)
12587 - School-Based Diversion Initiative	58999 - Other	82043 - Equal Education Opportunity	(94,250)	(94,250)
	Total-12587 - School-Based Diversion Initiative		(94,250)	(94,250)
16021 - American School For The Deaf	50000 - Expenditures	82043 - Equal Education Opportunity	(2,944,171)	(3,291,171)
	Total-16021 - American School For The Deaf		(2,944,171)	(3,291,171)
16062 - Regional Education Services	50000 - Expenditures	82043 - Equal Education Opportunity	(256,172)	(256,172)
	Total-16062 - Regional Education Services		(256,172)	(256,172)
16110 - Family Resource Centers	50000 - Expenditures	82043 - Equal Education Opportunity	(3,947,420)	(3,947,420)
	Total-16110 - Family Resource Centers		(3,947,420)	(3,947,420)

16119 - Charter Schools	50000 - Expenditures	82043 - Equal Education Opportunity	(5,648,500)	(6,004,900)
	Total-16119 - Charter Schools		(5,648,500)	(6,004,900)
16201 - Youth Service Bureau Enhancement	50000 - Expenditures	82043 - Equal Education Opportunity	(334,464)	(334,464)
	Total-16201 - Youth Service Bureau Enhancement		(334,464)	(334,464)
16212 - Health Foods Initiative	50000 - Expenditures	82001 - Basic School Program	(398,537)	(398,537)
	Total-16212 - Health Foods Initiative		(398,537)	(398,537)
17017 - Vocational Agriculture	50000 - Expenditures	84130 - Teacher Preparation, Professional & Curriculum Dev	(1,054,494)	(1,121,430)
	Total-17017 - Vocational Agriculture		(1,054,494)	(1,121,430)
17030 - Adult Education	50000 - Expenditures	84130 - Teacher Preparation, Professional & Curriculum Dev	(2,752,114)	(2,752,114)
	Total-17030 - Adult Education		(2,752,114)	(2,752,114)
17034 - Health and Welfare Services Pupils Private Schools	50000 - Expenditures	82001 - Basic School Program	(3,096,366)	(3,228,825)
	Total-17034 - Health and Welfare Services Pupils Private Schools		(3,096,366)	(3,228,825)
17042 - Bilingual Education	50000 - Expenditures	82043 - Equal Education Opportunity	(316,480)	(316,480)
	Total-17042 - Bilingual Education		(316,480)	(316,480)
17043 - Priority School Districts	50000 - Expenditures	82043 - Equal Education Opportunity	(4,233,717)	(4,233,717)
	Total-17043 - Priority School Districts		(4,233,717)	(4,233,717)
17044 - Young Parents Program	50000 - Expenditures	82043 - Equal Education Opportunity	(106,159)	(106,159)
	Total-17044 - Young Parents Program		(106,159)	(106,159)
17045 - Interdistrict Cooperation	50000 - Expenditures	82043 - Equal Education Opportunity	(2,353,391)	(2,353,391)
	Total-17045 - Interdistrict Cooperation		(2,353,391)	(2,353,391)
17046 - School Breakfast Program	50000 - Expenditures	82001 - Basic School Program	(855,907)	(855,907)
	Total-17046 - School Breakfast Program		(855,907)	(855,907)
17047 - Excess Cost - Student Based	50000 - Expenditures	84001 - Vocational Training and Job Preparation	(51,348,832)	(57,242,376)
	Total-17047 - Excess Cost - Student Based		(51,348,832)	(57,242,376)

17052 - Youth Service Bureaus	50000 - Expenditures	82043 - Equal Education Opportunity	(1,325,758)	(1,325,758)
	Total-17052 - Youth Service Bureaus		(1,325,758)	(1,325,758)
17053 - Open Choice Program	50000 - Expenditures	82043 - Equal Education Opportunity	(4,025,861)	(4,512,361)
	Total-17053 - Open Choice Program		(4,025,861)	(4,512,361)
17057 - Magnet Schools	50000 - Expenditures	82043 - Equal Education Opportunity	(31,000,000)	(35,000,000)
	Total-17057 - Magnet Schools		(31,000,000)	(35,000,000)
17084 - After School Program	50000 - Expenditures	82043 - Equal Education Opportunity	(2,433,348)	(2,433,348)
	Total-17084 - After School Program		(2,433,348)	(2,433,348)
Total Financials			(147,565,323)	(158,982,181)