

VIII.A.

CONNECTICUT STATE BOARD OF EDUCATION Hartford

TO BE PROPOSED:

September 2, 2020

RESOLVED, That the State Board of Education approves the Current Services Budget Request for Fiscal Years 2021-22 and 2022-23, and directs the Commissioner to take the necessary action.

Approved by a vote of _____ this second day of September, 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: September 2, 2020
SUBJECT: Current Services Budget Request Process for the FY2022/FY2023 Biennium

In accordance with Section 4-77 of the Connecticut General Statutes, agencies must submit a current services budget request to the Office of Policy and Management (OPM) that provides estimates of expenditures for each fiscal year of the next biennium. Specifically, a current services or baseline budget request is the amount required in order to provide in the succeeding fiscal years the same level of services as in the current fiscal year plus any scheduled or required changes, including enrollment growth in applicable grant and operating areas and incorporating new or expanded statutory requirements.

Pursuant to Secretary McCaw's letter of July 31, 2020, estimated expenditures may be modified in instances including: for inflation if statutorily; rate changes required under existing statute; caseload or utilization-based expenditures; annualization of costs associated with any new or expanded programs funded during FY2021 or scheduled statutorily to begin in FY2022 or FY2023; decreases for programs that will expire or be reduced during or after FY2021; and costs associated with the operation of new buildings. Municipal aid should be funded at the statutory level for formula-based aid.

Based on the above, below is a summary of the growth in the Department's current services request:

<u>2020-21 Estimated Expenditures</u>	<u>2021-22 Request</u>	<u>2021-22 Percent Change</u>	<u>2022-23 Request</u>	<u>2022-23 Percent Change</u>
\$3,069,764,302	\$3,176,840,660	3.49%	\$3,233,147,174	1.77 %

Highlighted below are the major budgetary considerations that agency staff and I believe fall under the description of a current services request for our operating and grant budgets.

CSDE Central Office Operations

- Personal Services - The increase of \$879,556 in FY 2022 reflects several small contractual increases and a request of \$775,619 for sick and vacation payouts in anticipation of one third of our eligible staff retiring. The increase of \$584,075 in FY 2023 is to pay for the cost of a 27th payroll in the fiscal year. Most bargaining unit contracts are set to expire prior to the start of the biennium. Any additional contractual costs that arise out of the collective bargaining process will be funded centrally by the Office of Policy and Management.

Connecticut Technical Education and Career System (CTECS)

- Personal Services – The requested increase of \$4.3 million in FY 2022 is related to the need to add 14 World Language teachers and 17 World Language department heads so the system can provide the statutorily required one credit in World Languages for graduation. In addition, funding is being requested for sick and vacation payouts in anticipation of eligible staff retiring. In FY 2023 \$4.8 million is being requested to pay for the cost of a 27th payroll in the fiscal year.

CSDE Entitlement Grant Programs

- The Adult Education state grant provides access to educational programs that: assist adults to obtain the knowledge and skills necessary for employment, self-sufficiency and citizenship; assist adults in the completion of a secondary school education; and assists adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children. This grant was capped at the appropriation level during the current biennium. We are requesting an additional \$837,382 in FY 2022 and an additional \$105,387 in FY 2023 to fully fund the grant at the statutory formula level.
- The Health and Welfare Services grant for students attending private schools is currently capped at the appropriation level. These funds are used to provide a school physician, school nurse and/or dental hygienist to private schools in Connecticut that enroll the majority of their students from Connecticut. To fully fund the grant at the statutory formula level we are requesting an additional \$3.1 million in FY 2022 and an additional \$105,044 in FY 2023.
- The Education Cost Sharing (ECS) grant was calculated in accordance with current law, using the most current student enrollment data available. Current law requires the phase in of funding over 10 years to reach “full funding” in FY 2028. Over the biennium the grant will rise by \$79 million.
- The Excess Cost – Student Based grant funds a portion of extraordinary special education costs associated with educating students placed by their district in a special education program; a percentage of the costs associated with students placed by a state agency; and 100% of the cost of students without a nexus or who reside on state property. This grant was capped at the appropriation level during the current biennium. We are requesting funding at the statutory formula level, which will increase the grant by \$66.8 million in FY 2022 and an additional \$4.9 million in FY 2023.

CSDE School Choice Program Grants

- As the local charter school, Elm City Montessori, in New Haven continues to grow to its full grade configuration it will add 54 seats in FY 2022 and 35 seats in FY 2023. An additional \$162,000 in FY 2022 and an additional \$105,000 in FY 2023 will be needed to accommodate the growth.
- The state charter school account will see a net negative adjustment of \$3.9 million in FY 2022 due to the closure of Trailblazers and Stamford Academy and the addition of 60 seats at Booker T. Washington School for enrollment of the next grade level. In FY 2023 we are requesting \$382,500 for the addition of 34 seats at Booker T. Washington School to complete grade level growth. By FY 2023 statewide charter school enrollment is estimated to be 10,762.

- The department is requesting \$1.7 million for enrollment growth and the associated transportation costs in the Open Choice program over the biennium. This will enable continued growth in the program primarily in the *Sheff* region but also statewide.
- The Magnet School account has been budgeted for the last several years based on a cap of enrollment equal to a base year in statute. Actual enrollment has continued to decline in many schools over the last several years to a level below the budgeted cap. Last year this in combination with lower than anticipated transportation costs led to a lapse in the account of \$15 million. The reduction in the account will reset the funding level to better reflect actual enrollment. Requested funding will allow for anticipated growth in the *Sheff* region in accordance with the current stipulated agreement and additional grade growth that is occurring in New London and Stamford over the biennium.

Prepared by Kathy Demsey
Chief Financial Officer
Office of Finance and Internal Operations

State Department of Education - Technical Adjustments for the FY2022 - FY2023 Biennial Budget Request

SID	Description	FY 2021 Estimated	FY 2022 Current Services Request	Difference	FY 2023 Current Services Request	Difference
10010	Personal Services	17,534,577	18,414,133	879,556	18,998,208	584,075
10020	Other Expenses	3,035,381	3,035,381	0	3,035,381	0
12171	Development of Mastery Exams Grades 4, 6, and 8	10,490,334	10,532,802	42,468	10,493,570	(39,232)
12198	Primary Mental Health	345,288	345,288	0	345,288	0
12211	Leadership, Education, Athletics in Partnership (LEAP)	312,211	312,211	0	312,211	0
12216	Adult Education Action	194,534	194,534	0	194,534	0
12261	Connecticut Writing Project	20,250	20,250	0	20,250	0
12318	Neighborhood Youth Centers	613,866	613,866	0	613,866	0
12457	Sheff Settlement	10,277,534	10,297,012	19,478	10,281,618	(15,394)
12506	Parent Trust Fund Program	267,193	267,193	0	267,193	0
12519	Regional Vocational-Technical School System	140,398,647	144,755,845	4,357,198	149,594,725	4,838,880
12547	Commissioner's Network	10,009,398	10,009,398	0	10,009,398	0
12549	Local Charter Schools	690,000	852,000	162,000	957,000	105,000
12550	Bridges to Success	27,000	27,000	0	27,000	0
12552	Talent Development	2,183,986	2,203,567	19,581	2,188,229	(15,338)
12587	School-Based Diversion Initiative	900,000	900,000	0	900,000	0
12602	Technical High Schools Other Expenses	22,668,577	22,668,577	0	22,668,577	0
12609	EdSight	1,100,273	1,105,533	5,260	1,100,445	(5,088)
12610	Sheff Transportation	45,781,798	48,689,037	2,907,239	50,710,659	2,021,622
12611	Curriculum and Standards	2,215,782	2,215,782	0	2,215,782	0
16021	American School For The Deaf	8,357,514	8,357,514	0	8,357,514	0
16062	Regional Education Services	262,500	262,500	0	262,500	0
16110	Family Resource Centers	5,802,710	5,802,710	0	5,802,710	0
16119	Charter Schools	124,678,750	120,690,000	(3,988,750)	121,072,500	382,500
16211	Child Nutrition State Match	2,354,000	2,354,000	0	2,354,000	0
16212	Health Foods Initiative	4,151,463	4,151,463	0	4,151,463	0
17017	Vocational Agriculture	15,124,200	15,124,200	0	15,124,200	0
17030	Adult Education	20,383,960	21,221,342	837,382	21,326,729	105,387
17034	Health and Welfare Services Pupils Private Schools	3,438,415	6,524,442	3,086,027	6,629,486	105,044

17041	Education Equalization Grants	2,092,033,975	2,132,535,695	40,501,720	2,171,484,257	38,948,562
17042	Bilingual Education	3,177,112	3,177,112	0	3,177,112	0
17043	Priority School Districts	30,818,778	30,818,778	0	30,818,778	0
17045	Interdistrict Cooperation	1,537,500	1,537,500	0	1,537,500	0
17046	School Breakfast Program	2,158,900	2,158,900	0	2,158,900	0
17047	Excess Cost - Student Based	140,619,782	207,404,471	66,784,689	212,361,438	4,956,967
17053	Open Choice Program	27,682,027	27,705,849	23,822	29,442,327	1,736,478
17057	Magnet Schools	306,033,302	297,471,990	(8,561,312)	300,069,041	2,597,051
17084	After School Program	5,750,695	5,750,695	0	5,750,695	0
17108	Extended School Hours	2,919,883	2,919,883	0	2,919,883	0
17109	School Accountability	3,412,207	3,412,207	0	3,412,207	0
	Total	\$3,069,764,302	\$3,176,840,660	\$107,076,358	\$3,233,147,174	\$56,306,514