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

**TO BE PROPOSED:**

October 7, 2015

RESOLVED, That the State Board of Education approves the Fiscal Year 2016-17 Mid-Term Budget Technical Adjustments, and directs the Commissioner to take the necessary action.

Approved by a vote of \_\_\_\_\_ this seventh day of October, Two Thousand Fifteen.

Signed: \_\_\_\_\_  
Dianna R. Wentzell, Secretary

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

TO: State Board of Education

FROM: Dr. Dianna R. Wentzell  
Commissioner of Education

DATE: October 7, 2015

SUBJECT: Fiscal Year 2016-17 Mid-Term Budget Technical Adjustments

Pursuant to instructions from the Office of Policy and Management (OPM), technical adjustments to our FY 2017 budget are restricted to three areas:

1. Changes due to legislation that was passed in the 2015 legislative session that did not include funding to carry out the newly mandated work. Includes any mergers or program restructurings. Does not include items to be funded "within available appropriations".
2. Revised estimates for entitlement/formula driven expenditures and court-mandated expenditures.
3. Adjustments due to new facilities coming on-line but not previously budgeted for or facilities scheduled to close.

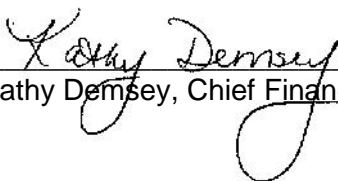
Pending State Board approval, the Department will request mid-term budget technical adjustments totaling \$23,101,000:

1. **Other Expenses** – request an additional \$101,000 to cover unbudgeted costs associated with the Department's move to 450 Columbus Boulevard, including moving costs, permanent record retention/storage costs, and additional equipment for the new building not included in central building budget. An example of that type of cost would be workstation accommodations/adjustments or additional filing and storage based on recent discussions with the Department of Administrative Services, who is responsible for the build-out of the building and the move. It is anticipated that the Department will be moving in January 2017.
2. **Magnet School Account** – request an additional \$23 million as follows:  
  
**Sheff region transportation** - \$20 million of which \$10 million would be used to pay the balance of audited transportation costs from the 2015-16 school year and \$10 million to pay the first half of supplemental transportation costs for the 2016-17 school year. While this account is subject under current law to being funded "within available appropriations," annually the transportation cost per student for the Sheff region (which is provided pursuant to the Stipulated Agreement) is greater than the \$2,000 per pupil currently provided for in statute. The Department is left in the position of having a

significant shortfall in the magnet account due to the current transportation funding mechanism and must make up the difference by reducing spending in other accounts to address the shortfall. This means spending on other critical Department functions is restricted so the agency does not run a deficiency. It is in the Department's best interest to continue to bring through the budget process this ongoing funding problem to OPM and the General Assembly's attention until an appropriate solution can be found.

**Statewide** - \$3 million. Section 10-264l of the Connecticut General Statutes, as amended by Section 307 of Public Act 15-5 of the June Special Session, requires Regional Educational Service Centers (RESCs) operating an interdistrict magnet school offering a preschool program to charge tuition to the parent or guardian of a child enrolled in such program in an amount up to \$4,053 per school year. However, it prohibits the RESC from charging tuition to families with an income at or below 75 percent of the state median income, and makes the Department, within available appropriations, financially responsible for any unpaid tuition. The Department had budgeted \$3 million in the magnet school account for this purpose. These funds were removed during the 2015 legislative session.

Upon State Board approval, the Department will affirm submission of the 2016-17 mid-term budget technical adjustments with OPM.

Prepared by   
Kathy Demsey, Chief Financial Officer