

Budget Adjustment Request

December 20, 2017

Agency of Education
Secretary Rebecca Holcombe

Budget Adjustment Items

- Statewide School District Data Management System
 - AKA SSDDMS
 - AKA the Uniform Chart of Accounts Project
- Weighting Study
- Other Items

SSDDMS

- 2014 Act 179 Sec. E. 500.1-500.3 the legislature designated \$3.5M from the supplemental property tax relief fund be dedicated to the Education Chart of Accounts project.
 - The completion data was established as July 1, 2017
 - The fund was repealed on July 1, 2017

SSDDMS

- 2015 No. 58 Sec. E.500.1 extended implementation through July 1, 2019.
- However, there was no corresponding change to extend project funding through July 1, 2019.
 - The fund was repealed on July 1, 2017 per 32 V.S.A. §6075

SSDDMS

- 2017 Act 80 Sec. B.500 included an appropriation from the supplemental property tax relief fund to support the chart of accounts project, including 1 Limited Service position.
 - Indicating that the intent was that the funding and the project would sunset simultaneously

SSDDMS

- To correct the error, language is included in the BAA to re-appropriate the funds, in accordance with legislative intent.
 - In coordination with Finance and Management, Education proposes the following be included in the BAA

SSDDMS

- Remove Special fund spending authority from AOE's based budget (\$3.1M)
- Transfer the balance to the GF
- Create a one-time appropriation for AOE to complete the project.

SSDDMS

- Sec. XX. SUPPLEMENTAL PROPERTY TAX RELIEF FUND TRANSFER
 - (a) The Supplemental Property Tax Relief Fund was created pursuant to 2011, No. 162 (Adj. Sess.), § D.103, and prospectively repealed as of July 1, 2017.
 - (b) The balance remaining in the Supplemental Property Tax Relief Fund, estimated to be \$3,139,252.28, is transferred to the General Fund.
 - (c) In Fiscal Year 2018, \$3,139,252 of general funds is appropriated to the Agency of Education for implementation of a uniform chart of accounts as provided in 2014, No. 179, §§ E. 500.2 and E.500.3 and 2014, No. 179, §E.500.1, as amended by 2015, No. 58, § E.500.1.
 - (d) This section is effective on passage.

Weighting Study

- 2017 No. 49 required the Agency of Education to undertake a study of the funding formula to review the weights currently used to allocate funds
- The study requirement was enacted into law despite the Agency's request for the necessary resources needed to complete the study.
 - The Agency does not have internal resources to support the work

Weighting Study

- The BAA includes \$300K to allow the Agency to contract with the University of Vermont to complete the study
 - The following language should be added to the BAA to direct the use of the funds by the Agency of Education

Weighting Study

- Sec. XX Funding for the Education Funding formula

(a) Of the additional \$300,000 appropriated in Sec. B.500, \$300,000 shall be used to complete the education funding formula weighting study outlined in 2017 Acts and Resolves No. 49. These funds will be used to support a contract with the University of Vermont and to provide the Agency with resources needed to compile and construct data sets.

Other

- Reversions
 - The BAA includes several reversions of balances in appropriations not needed to carryforward into FY 2018.
 - Reversions back into the Ed Fund are typical, however they are more in line with historical amounts.
 - They are sufficient to cover the amounts assumed during the FY 2018 budget build.

Other

- Flexible Pathways
 - \$650K is appropriated in B.504.1 for Early College.
 - In FY 2018 the appropriation structure was changed and Early College moved to the Flexible Pathways appropriation.
 - In FY 2017 the second Early College payment was made in early July instead of late June
 - Due to the need to complete final tax rates after the veto session was complete.
 - In FY 2018 there will be 3 Early College payments instead of just 2.
 - This change provides the spending authority needed to make all payments