

Vermont Agency of Education Budget Presentation



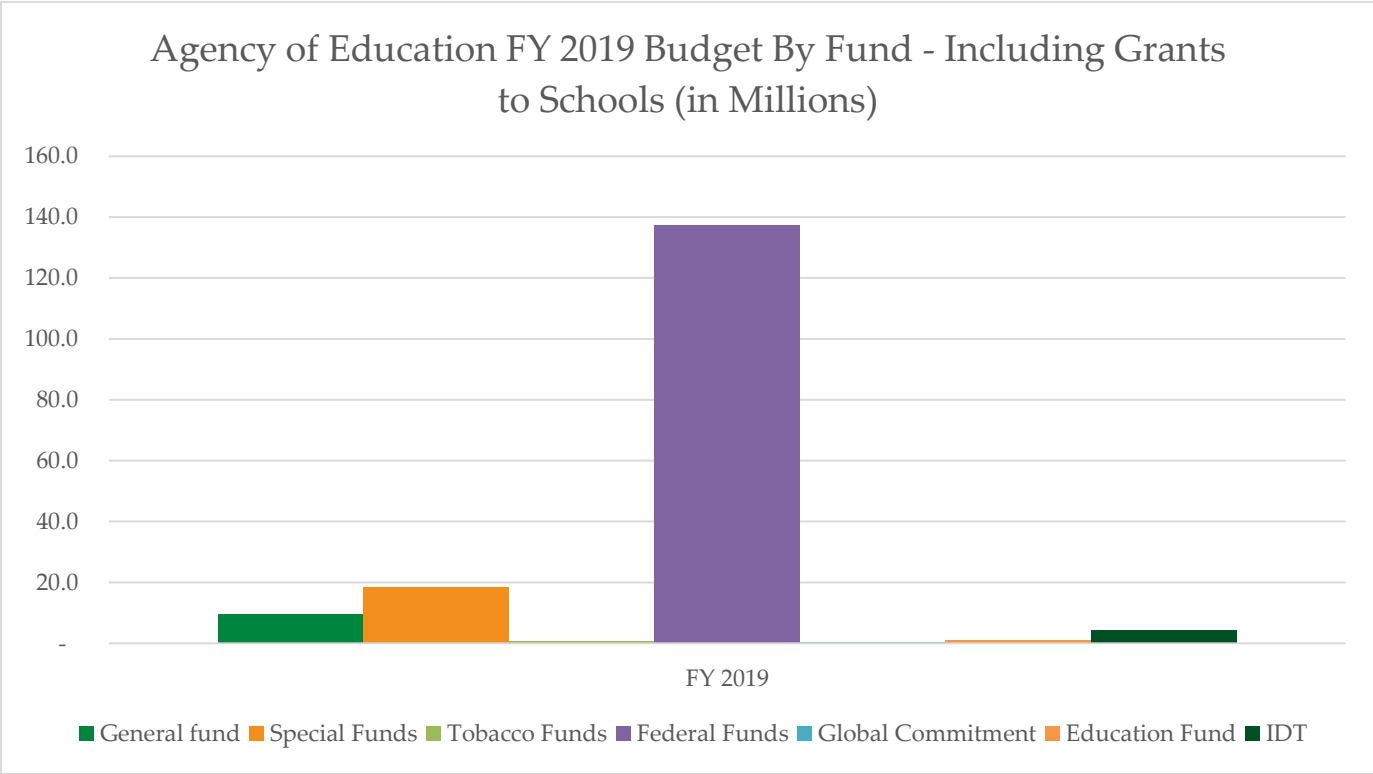
Emily Byrne and Rebecca Holcombe
February 22, 2018
Senate Appropriations Committee

Agenda

Agency Budget Highlights

- Funding sources for Agency activities
- Overview of Operations and Policy Initiatives
- Positions
- What do we buy with our Education Fund Dollars?
- Budget book introduction and walk through appropriations

Funding Sources for Agency Activities



See page 12 in the budget book.

Funding Sources for Agency Activities

(Dollars in Millions)	Including Grants		Without Grants		Difference
General Fund	9.5	5.5%	7.6	25.4%	1.90
Special Funds	18.5	10.8%	4.1	13.7%	14.39
Tobacco Fund	0.8	0.4%	0.2	0.7%	0.55
Federal Funds	137.5	80.1%	13.9	46.7%	123.61
Global Commitment	0.3	0.2%	-	0.0%	0.26
Education Fund	1.0	0.6%	1.0	3.3%	-
IDT	4.2	2.4%	3.0	10.2%	1.17
Total	171.7		29.8		141.9

See table on page 11 in the budget book.

Funding to Support PreK Recommendations

	FY 2019 Gov Rec	FY 2020 Estimated
Positions	75,000	200,000
IT Contracts	125,000	200,000
Total	\$ 200,000	\$400,000

See page 15 in the budget book.

Chart of Accounts

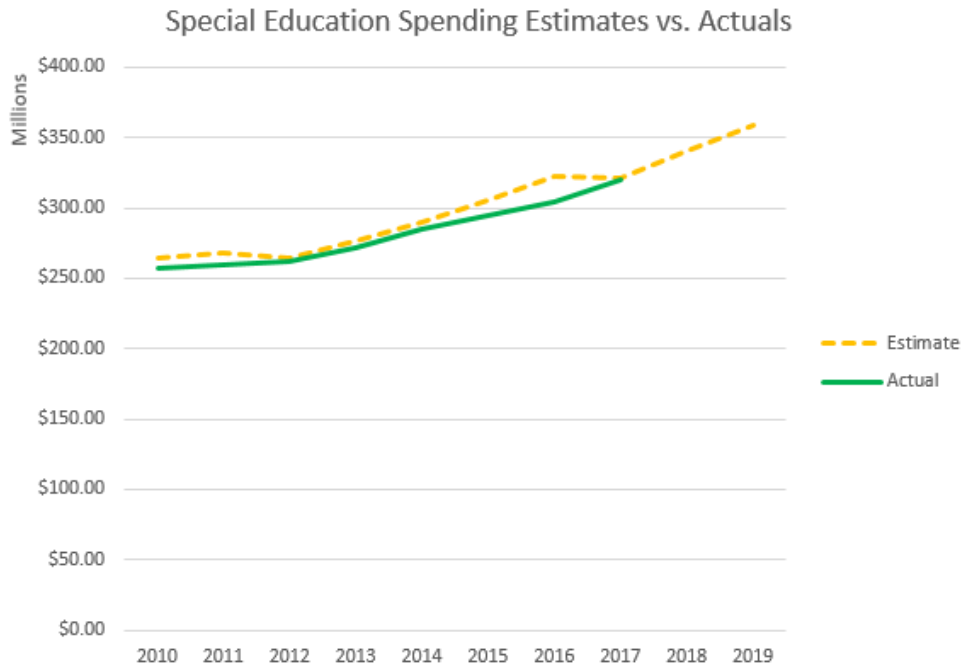
Future challenges: The SSDDMS will provide the Agency and school districts with a centralized system for financial data collection (higher quality and more consistent comparable school finance and personnel data, centralized contract management and economies of scale, and easier fiscal consolidation following mergers).

Problem: The funding stream to support this project is one-time in nature. The special fund does not have a revenue source and is only anticipated to support the project for a few fiscal years. The position created to support this project is limited service.

Proposed: An ongoing funding source for this project will need to be identified and resources at the Agency made permanent. If this is done, districts that have adopted the SSDDMS will be able to eliminate the cost of a local system from their budgets (a savings).

See page 19 in budget book.

Special Education Funding



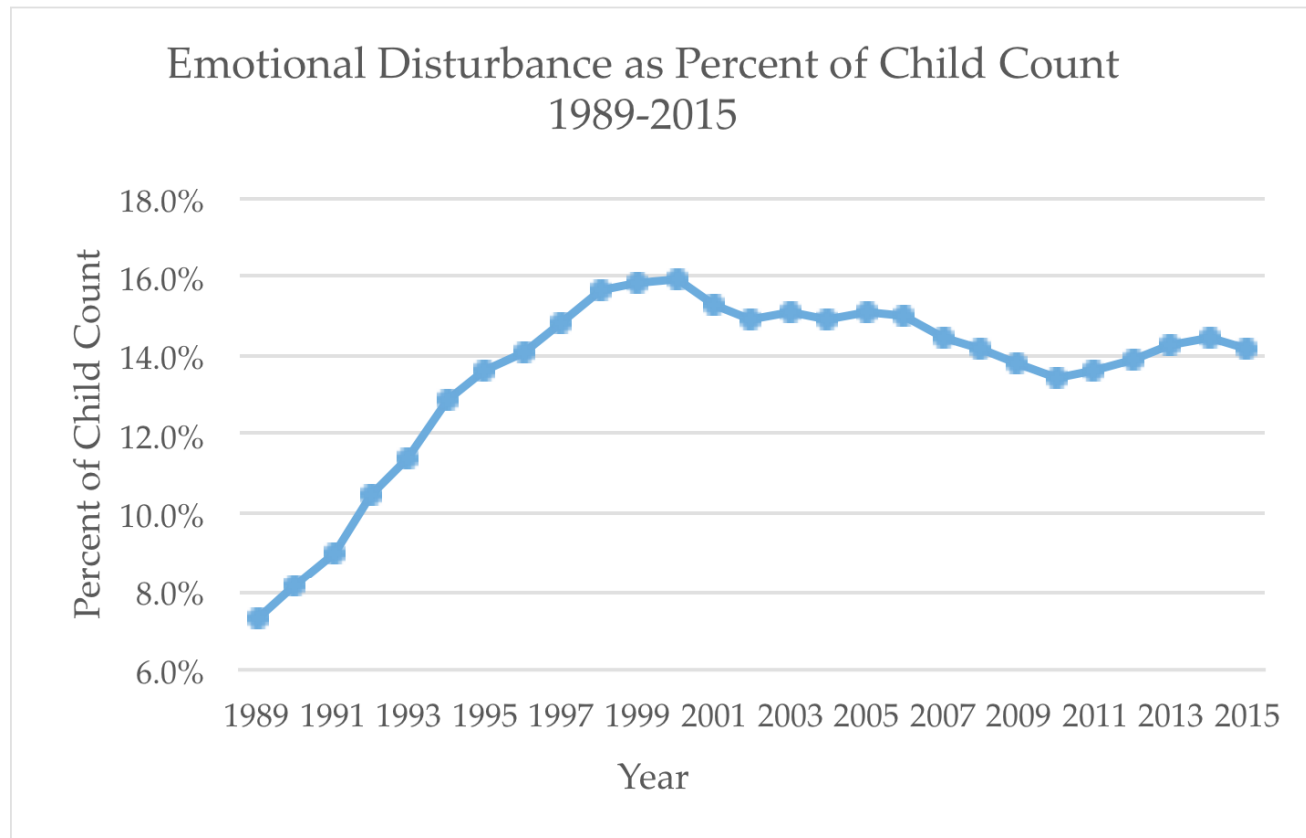
Takeaways:

- Change takes time
- Forecasting is challenging, and will be even more challenging in a transition.
- If a census block model is adopted, forecasting will be easier.

See page 20 in the budget book.

Changes in Special Education Practice?

Between 1989 and 2000, rates of emotional disturbance as percent of Child Count more than doubled (from 7.3% of Child Count to 15.9%), decreased slightly, then leveled off, ranging between a high of 15.1% and a low of 13.4%.



Note: The range of the y-axis (vertical) is narrower than in other charts, emphasizing changes over time.

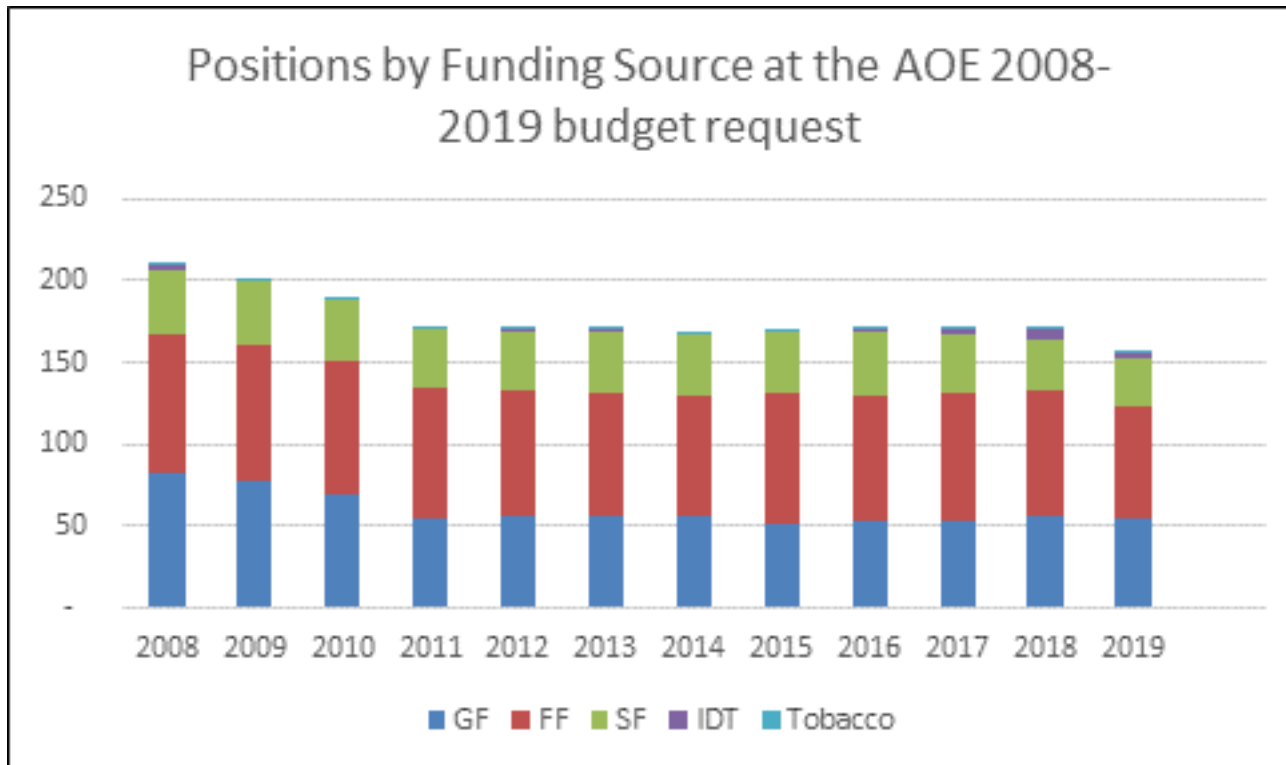
Building Capacity at the AOE

The AOE continues to evaluate capacity and look for ways to proactively increase capacity within resource constraints:

- **Grants Management System**
- **State Longitudinal Data System (SLDS)**
- **Education Quality Data Dashboard**
- **Dual Enrollment Platform**

See page 22 in the budget book.

Positions at the AOE

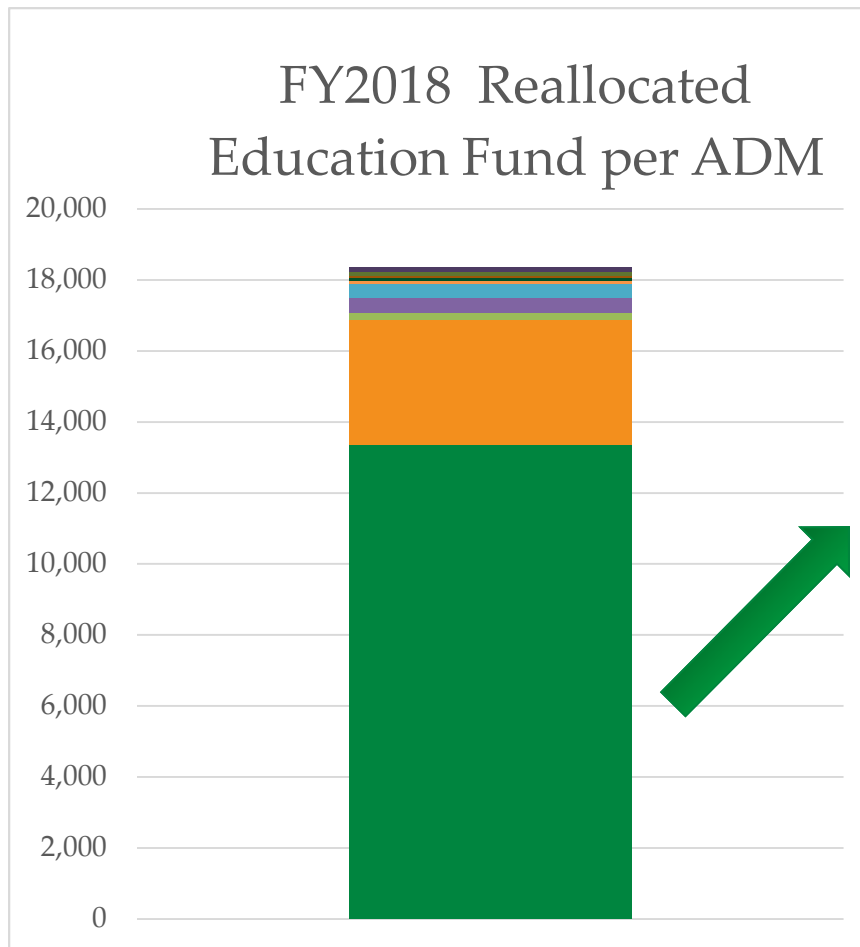


Takeaways:

- Most AOE positions are federally funded
- The number of positions at the AOE have been declining over time.

See page 25 in the budget book.

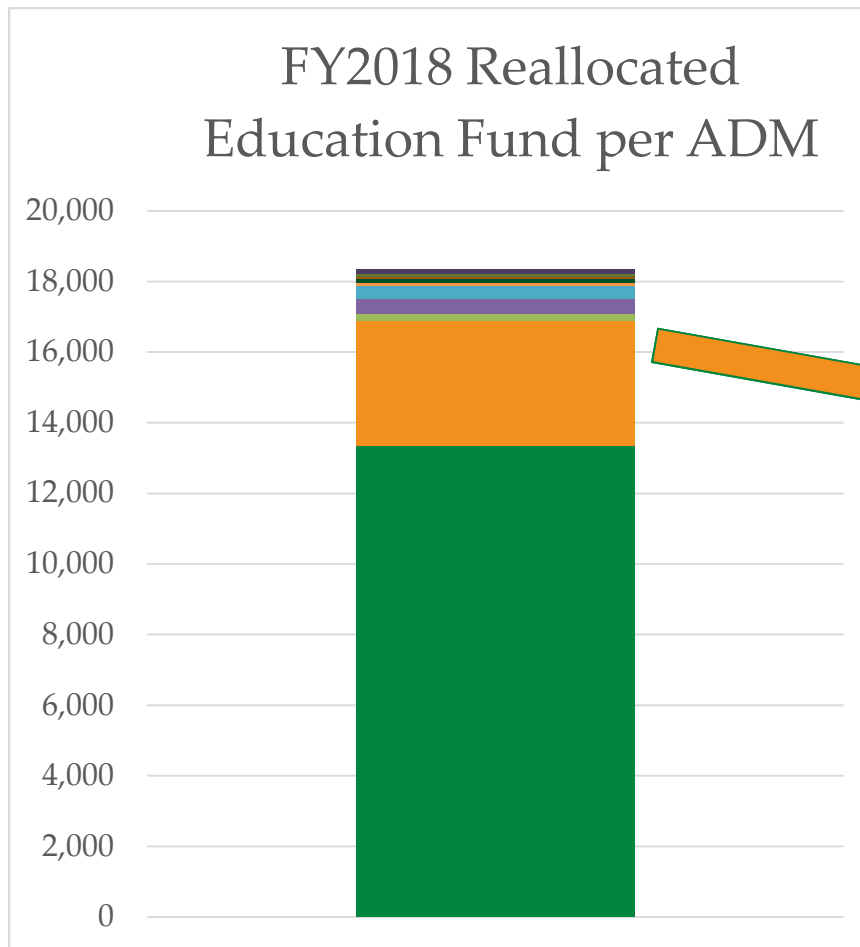
What do we buy with our Education Dollars?



About 73%: “net education payment” which covers items including (but not limited to):

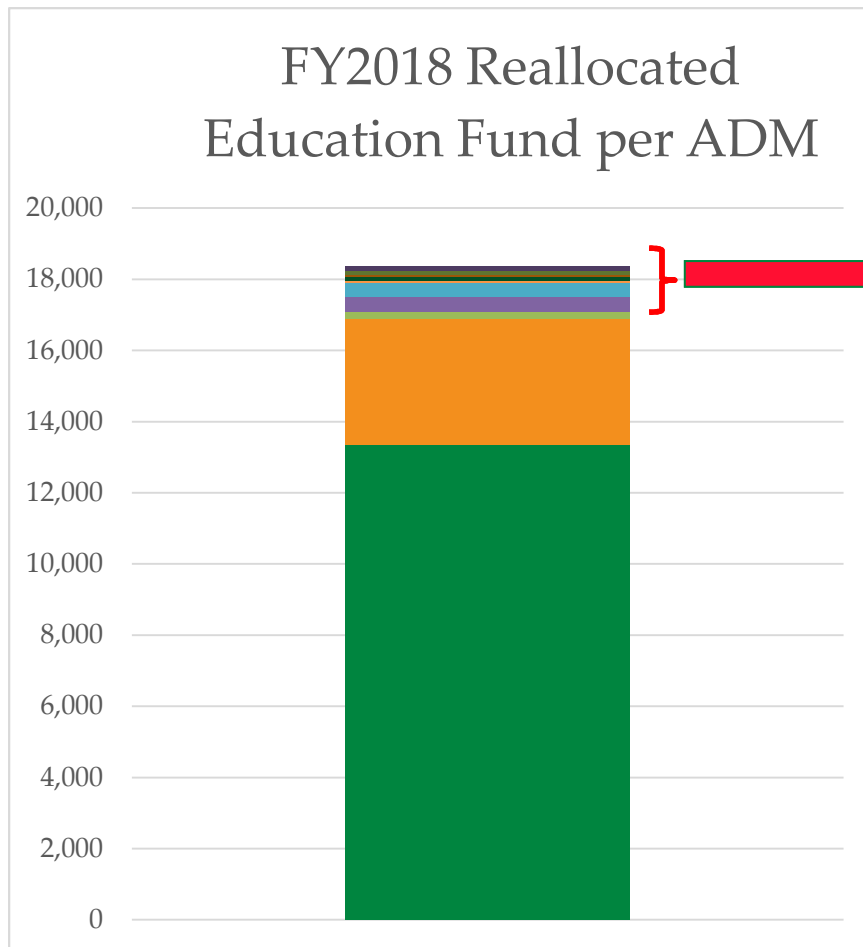
- most costs of our public schools, tuition payments to other public, independent, and out-of-state schools
- tuition payments to Career and Technical Education
- supervisory union costs
- Local costs related to flexible pathways
- Prekindergarten

What do we buy with our Education Dollars?



About 19% is spent on special education costs in public and independent schools.

What do we buy with our Education Dollars?



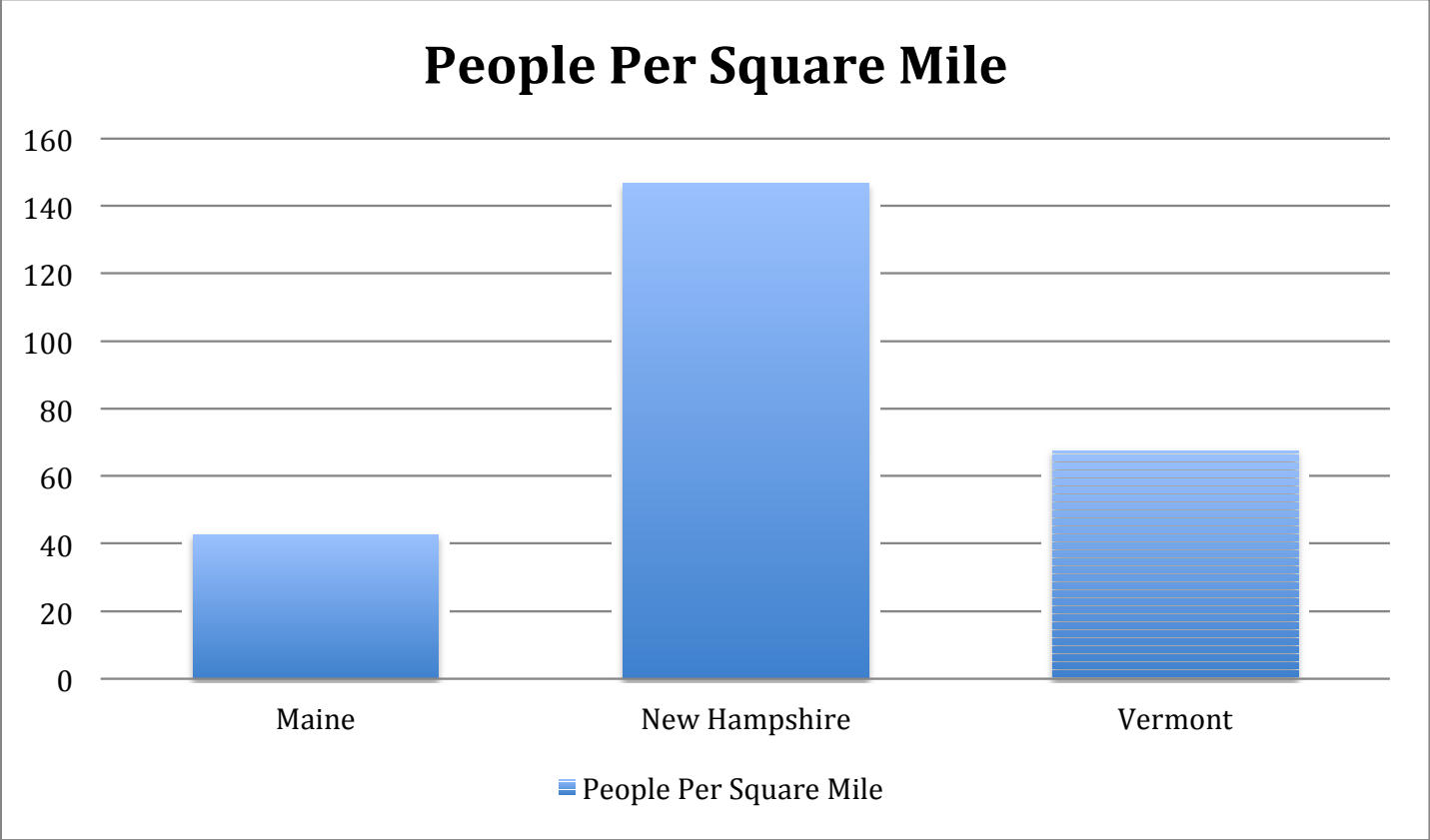
The rest of the \$1.6 billion we spend per pupil is spread across a number of functions, including:

- subsidies to small schools
- costs associated with children in state custody who are placed in schools near their foster homes.
- Technical Education support
- Small school support
- Flexible pathways
- Community HS of Vermont
- Teacher pensions
- Other

Change in Education Fund Spending

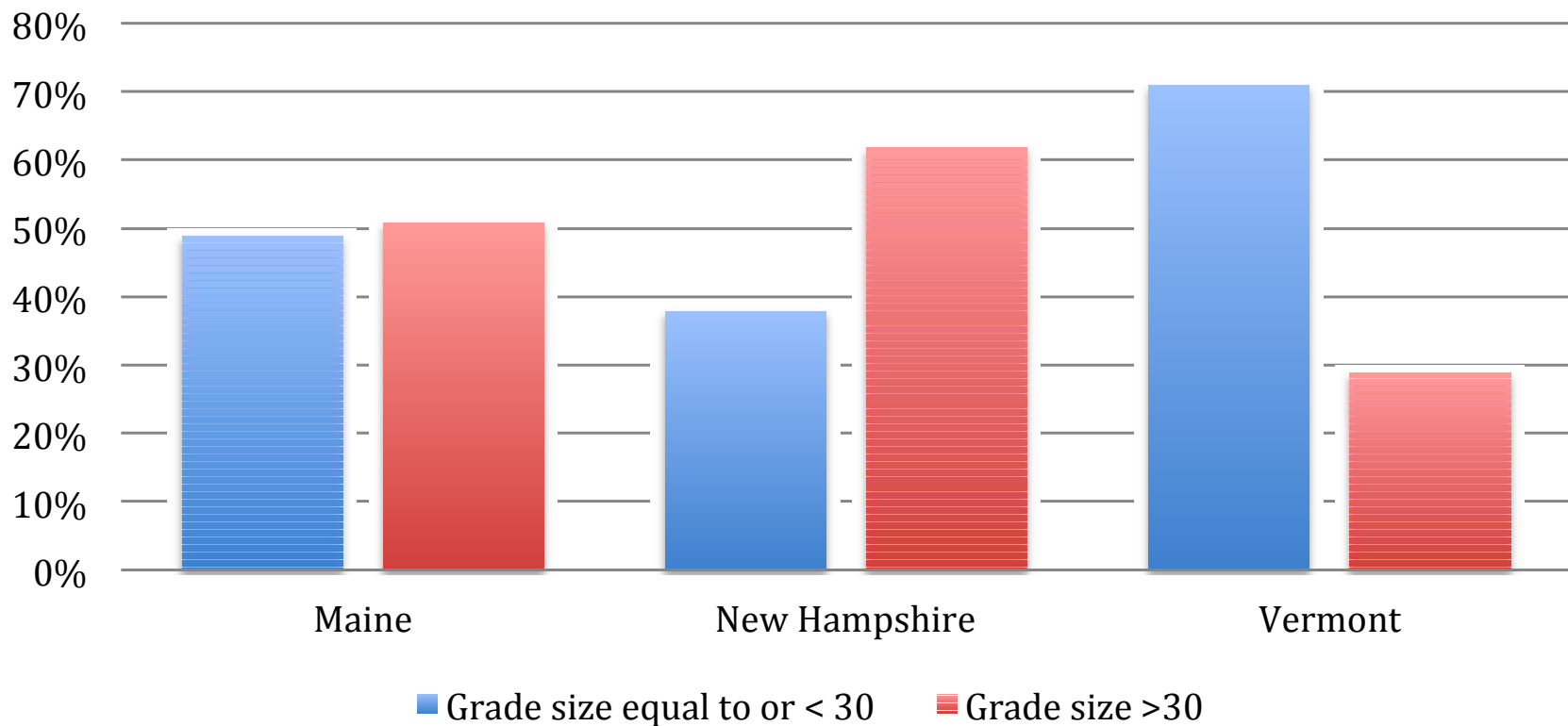
	Education Expenses (In Millions)	Percent Change
FY 2015 Actual	1,514	-
FY 2016 Actuals	1,553	2.58%
FY 2017 Actuals	1,578	1.61%
FY 2018 Estimates	1,621	2.72%
FY 2019 Projection	1,681	3.70%

Small School Size: Is it Density?



Or is it a VT preference?

New England States: Proportion of schools with 1st grade sizes equal to or less than 30 students, or greater than 30 students



Challenge with Education Funding

- The Education pressure:
 - We have fewer students,
 - In the same number of schools (public and independent)
 - With proportionally more overhead to support education on a per pupil basis.

Budget Book

- Budget book
 - Section 1 – Budget overview and policy priorities
 - Includes pages on topic areas and funding sources
 - Section 2 – FY 2019 Agency Organization and Operating Budget
 - Includes pages on each appropriation and details about the Agency
 - Section 3 – FY 2019 Education Fund Appropriations

Questions?

